

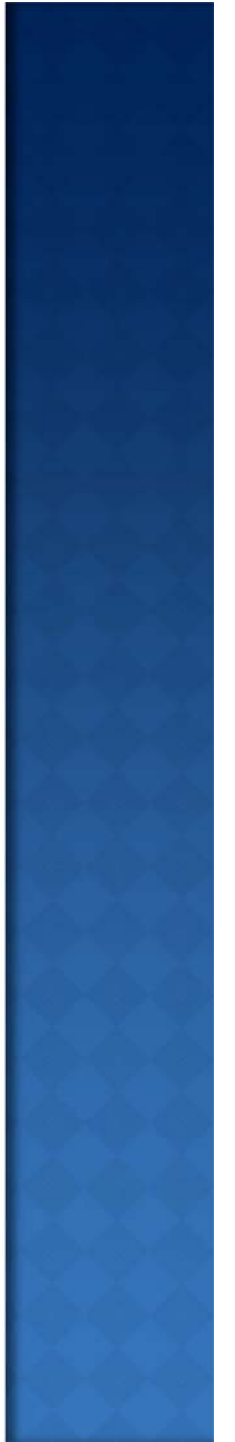
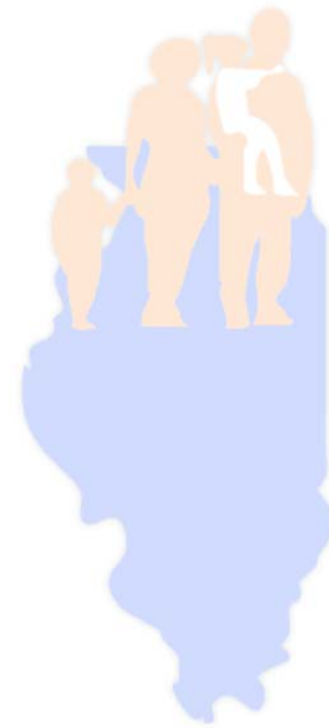


Time to Protect Illinois' Future

A briefing on Governor Quinn's proposed FY10 budget and its impact on working families.



Education



Protect Illinois' Students

Adequately fund education

- ⦿ Illinois ranks 49th in the nation in State education funding
- ⦿ K-12 budget is currently under funded by \$2.15 billion
 - FY 2009 Foundation Level \$5,959
 - FY 2010 Adequacy Model \$7,388/\$2.15 B
- ⦿ Higher Education budget is currently under funded by \$300 million
 - FY 2009 – (\$75 M) below 2002 state support
 - FY 2010 - \$300 M (infl. adj.)
- ⦿ Special education funding is currently under funded by \$875 million
 - Certified: \$9,000 to \$19,000
 - Non- Certified: \$3,500 to \$7,400
 - Non-Chicago Districts - \$708 M
 - Chicago @ 19% - \$167 M

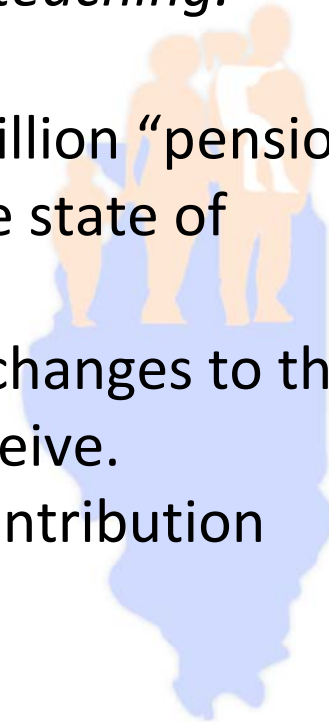


Protect Illinois' Teachers

Adequately fund retirement security

The governor's budget proposal threatens the retirement security of tens of thousands of hard working teachers and other public employees, and will drive highly qualified young people away from teaching.

- The proposed budget contains a \$2.85 billion “pension holiday,” the biggest in the history of the state of Illinois.
- The budget proposal contains dramatic changes to the pension benefits future teachers will receive.
- The governor wants to cut the State's contribution and shift the burden to teachers.

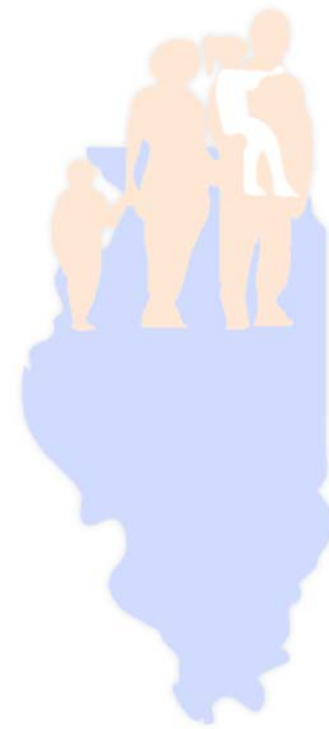


Illinois' Families Need Revenue

- ◉ Illinois is facing a potential \$12 billion deficit, which threatens vital services and programs like education
- ◉ There are many potential revenue solutions
 - Income tax increase
 - Sales/Service tax expansion
 - Cigarette tax
 - Gasoline tax
 - Gambling expansion
 - Streamlines internet sales tax
- ◉ Illinois must enact broad-based revenue increases to meet the current crisis and ensure the long-term fiscal health of our State.



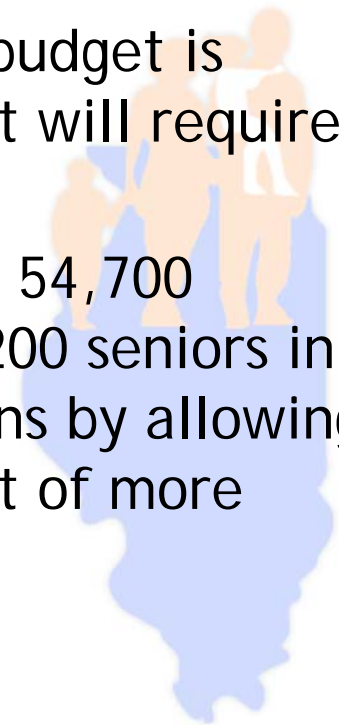
Healthcare



Protect Illinois' Seniors

Department on Aging: Community Care Program

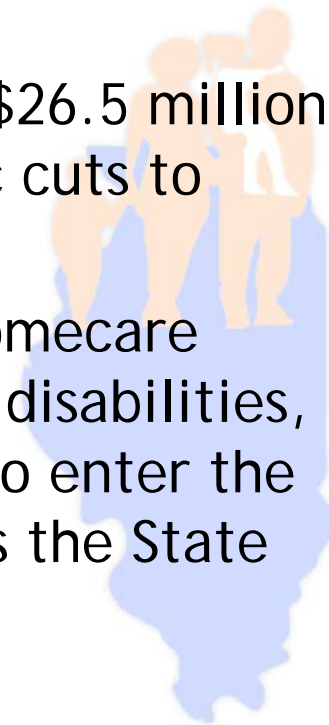
- ◉ The Governor's budget claims to increase the CCP appropriation by \$77,516,200, but in reality only increases the overall budget by \$3,269,100.
- ◉ The Department projects that the CCP budget is facing a \$90 million deficit for FY10 that will require drastic cuts to services.
- ◉ The CCP provides home care services to 54,700 seniors, and is expected to grow to 58,200 seniors in FY10, and saves the State tens of millions by allowing seniors to remain in their homes and out of more costly institutions.



Protect Illinois' individuals with disabilities

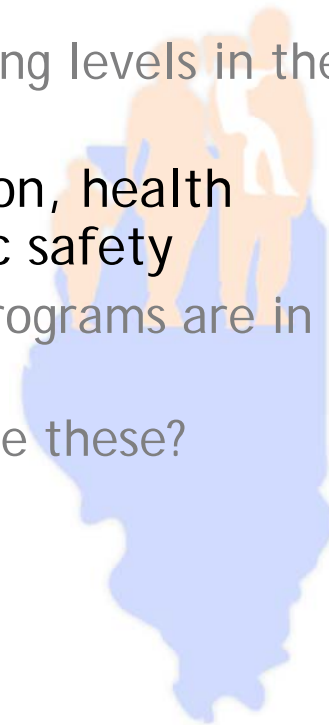
DHS-Rehabilitation Services: Home Services Program

- ◉ Governor Quinn's budget increases the GRF appropriation by \$26,294,600.
- ◉ The Home Services Program is facing a \$26.5 million deficit for FY10 that will require drastic cuts to services.
- ◉ The Home Services Program provides homecare services to over 33,000 individuals with disabilities, and is expecting 1,500 new consumers to enter the program in FY10, and like the CCP saves the State tens of millions each year.

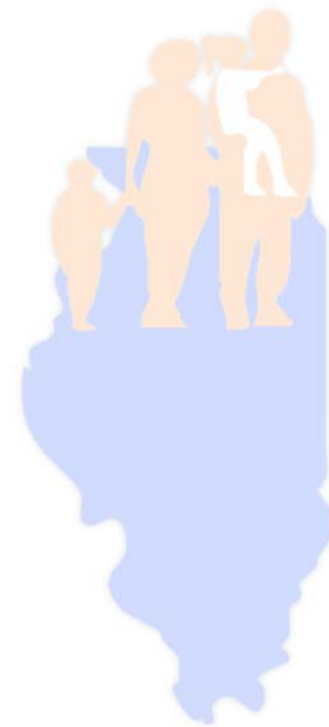


No More Fat to Cut...

- Illinois has been cutting for years
 - Illinois already has the lowest number of state workers per cap in the country.
 - Illinois already has one of the lowest tax burdens in the country.
 - Illinois already has one of the lowest spending levels in the country.
- 96% of the State budget is spent on education, health care, child care, human services, and public safety
 - In a time of recession, these services and programs are in even more need
 - Can we really cut these services in times like these?



Human Services



Protect Illinois' Safety Net

- ◉ Division of Community Health and Prevention

- Governor's proposed budget cut: \$14,095,200
- 24% of the overall program

- ◉ Division of Human Capital Development

- FY10 budget proposed reduction: \$1,715,200
- 3% of the overall program

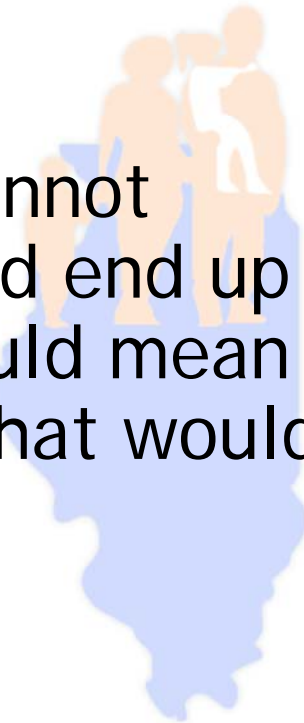
- ◉ Division of Alcoholism and Substance Abuse

- FY10 budget proposed reduction: \$6,900,000
- 16% of the overall program



Protect Illinois' Safety Net

- ◉ Agency programs have been threatened with decimation year after year until the General Assembly steps in and restores introduced budgetary cuts.
- ◉ Many social services agencies cannot survive with these cuts and could end up closing all together --which would mean a much higher number of lives that would be affected.



Protect Illinois' Safety Net

- ◉ In a given year, 1 in 5 IL citizens are touched by a DHS program - over 2 million people.
- ◉ In the Governor's proposed budget over 200,000 IL citizens are at risk of losing these essential services when they need them most.



Programs Illinois Families Rely On...

- ◉ ADDICTION PREVENTION: Programs equip individuals, families, and communities with the skills and support tools necessary for building healthy families.
- ◉ SUPPORTIVE HOUSING SERVICES: This program provides on site supportive services to low income individuals or families who are formerly homeless or at risk of returning to homelessness.
- ◉ EMERGENCY FOOD AND SHELTER: Provides beds, meals and supportive services through not-for-profit organizations serving homeless individuals and families.
- ◉ INFANT MORTALITY: Outreach and case management to coordinate and improve utilization in medical care, improving the health of low-income pregnant women and infants



Programs Illinois Families Rely On...

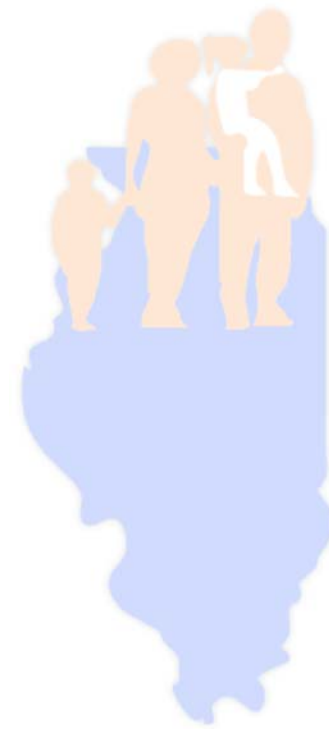
- ◉ DELINQUENCY PREVENTION: The program goal is to prevent youth who have committed a delinquent offense from further involvement in the criminal justice system. The program is mostly operated in Cook County and the collar counties.
- ◉ FOOD STAMP EMPLOYMENT AND TRAINING PROGRAM: This is a statewide program committed to helping able-bodied adults without dependents who receive food stamps to become self-sufficient. The program offers pre-employment/employment services to this population.
- ◉ RAPE VICTIMS/PREVENTION ACT: Attempts to reduce the incidence of rape and other forms of sexual assault. Services to clients of the Sexual Assault Prevention and Response Program are provided by the Illinois Coalition Against Sexual Assault (ICASA).
- ◉ HOMELESS YOUTH SERVICES: This program provides community-based services aimed at transitioning homeless youth to independent living and self-sufficiency. Homeless Youth Services targets youth age 20 and under who cannot be reunified with their families and are not in permanent living situations.

Make Illinois' Tax System Fair

- ◉ Illinois is the 6th most reliant on property tax revenue in the nation
- ◉ Illinois' tax system is regressive: the lower your income, the higher % of your total income is spent on combined taxes
- ◉ Illinois needs to raise taxes to protect vital programs and services, but we need to make sure it is done in a way that protects low- and moderate-income families



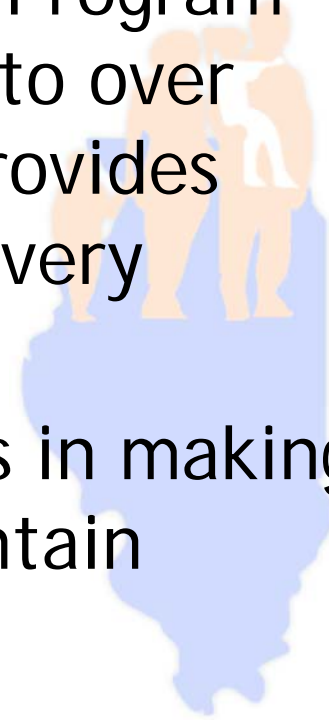
Child Care



Protect Illinois' Children

Adequately fund child care and early education

- The Governor's proposed budget cuts child care by \$50 million.
- The IDHS Child Care Assistance Program (CCAP) provides work supports to over 90,000 working families, and provides care to over 167,000 children every month.
- Cuts this year will tie our hands in making 'progress' in the future to maintain access and improve quality.



Child Care as Economic Engine

- Based on economic research of child care in Illinois, we know that child care contributes to the Illinois economy:
 - 76,000 jobs are generated as a result of the early care and education (ECE) industry
 - ECE contributes \$2.1 BILLION to the state revenue
 - In Cook county alone, an investment of \$100 generates \$232 in business in the community.
 - Why would we *cut child care* in times like these?



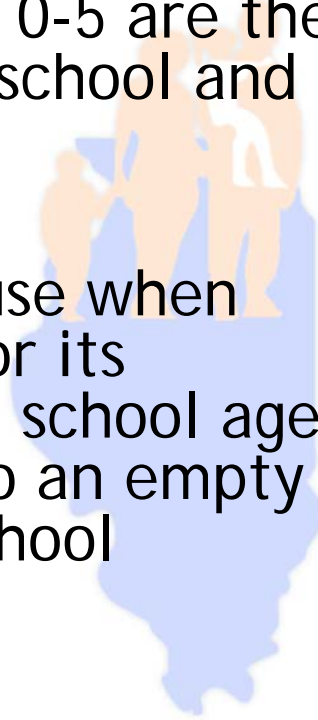
American Recovery and Reinvestment Act (ARRA)

- The economic stimulus package (ARRA) provides \$2 billion for child care to states
- Illinois portion is \$74.6 million; with set asides for quality and infant-toddler care
- Congress' intent is to improve quality, expand access, and overall add onto the currently existing program.
- Based on this Federal Guidance, it is our understanding that this cut will disqualify Illinois from the ARRA funds.



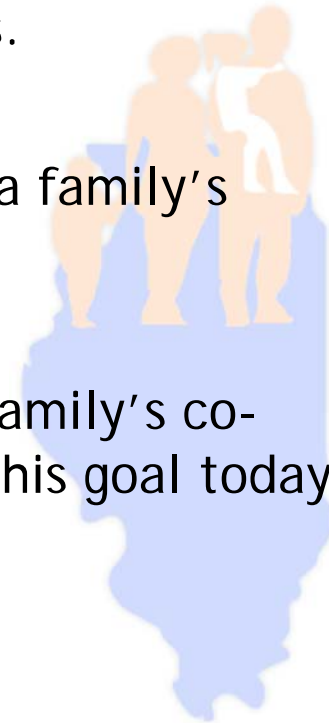
The Welfare of Young Children

- ◉ In these times of foreclosure and unemployment, child care often provides the most stable part of a low-income child's day.
- ◉ Brain research tells us that the years 0-5 are the most critical in setting the stage for school and life success.
- ◉ Families call it 'bill roulette' - because when they cannot afford their child care, or it suddenly not available to them, then school age children (ages 5-12) are sent home to an empty home instead of to a quality after-school program.



Affordability

- ◉ Low-income working families struggle economically in the best of times. Today, they often are not making it at all.
- ◉ Child care is one of *the most expensive* necessities that families have to pay for, after housing costs.
- ◉ Child care co-payments are close to 15% of a family's income; more than most other states.
- ◉ HB 2301/SB 1786 is a proposal to reduce a family's co-payment. ARRA funds can help us achieve this goal today.



New Revenue is the best you can do for Illinois' families

- ◉ We recognize Illinois is in a financial crisis.
- ◉ That is why we look to you for leadership.
- ◉ Our members are business people, parents and of moderate income. Our members support a tax increase that is:
 - Fair, equitable and '*progressive*' in design
 - Fixes the structural deficit
 - Is sustainable



Questions and Answers

