
The Rail

PRESENTED BY THE ILLINOIS POLICY INSTITUTE

APRIL 2023 - N.10

Helping people find dignity

By Matt Paprocki, President and CEO, Illinois Policy Institute



Steven Blake was homeless. He slept on the streets of Chicago in minus-20 degree temperatures for years. He begged for food.

But one day a man showed him how to sell fruit in downtown Chicago. Steven is now a fruit vendor on Madison and Riverside who is beloved by pedestrians for his positive attitude. Steven is no longer homeless.

Steven is lifting himself and others up through determination, entrepreneurship and by passing out “free smiles.”

Not only that, but he has now trained and employed other homeless people who are working their ways off the streets.

People want the basics. They want a safe, affordable place to live, a job and good schools for their children.

Steven is lifting himself and others up through determination, entrepreneurship and by passing out “free smiles.” He and his employees now have what everyone intrinsically longs for: dignity.

People want the basics. They want a safe, affordable place to live, a job and good schools for their children.

Chicagoans are most concerned with crime, taxes and education. They don’t want to leave the city they call home.

A recent poll conducted on behalf of the Illinois Policy Institute found just that. Chicagoans are most concerned with crime, taxes and education. They overwhelmingly support school choice and a property tax freeze. They don’t want to leave the city they call home.



“This is not a game to me. My whole philosophy is ‘each one reach one, each one teach one.’ Together, we can give the city a hand up.”

Steven Blake
Owner, BJ's Produce

This means most people resonate with our commonsense message, and we can advance our shared principles by empowering voters and reminding them there's light on the horizon.

Chicagoans are most concerned with crime, taxes and education. They overwhelmingly support school choice and a property tax freeze. They don't want to leave the city they call home.

Because of you, we'll transform our state so countless people such as Steven Blake can rise from poverty to prosperity.

In this April issue of *The Rail*, you'll read the following:

- An in-depth analysis of the Echelon Insights poll conducted on behalf of the Illinois Policy Institute.
- A breakdown of a WalletHub study showing how Illinois families pay the highest state and local taxes in the nation.

Most people resonate with our commonsense message, and we can advance our shared principles by empowering voters and reminding them there's light on the horizon.

- A profile of one of our supporters, and my dear friend, Vince Kolber.

Our fight is a moral one, and we won't stop until everyone has dignity in the city of Chicago and the state of Illinois.

Thank you for your commitment to restoring Illinois' freedom and prosperity.

In liberty,

Matthew T. Paprocki
President
Illinois Policy Institute

What do Chicago voters want?

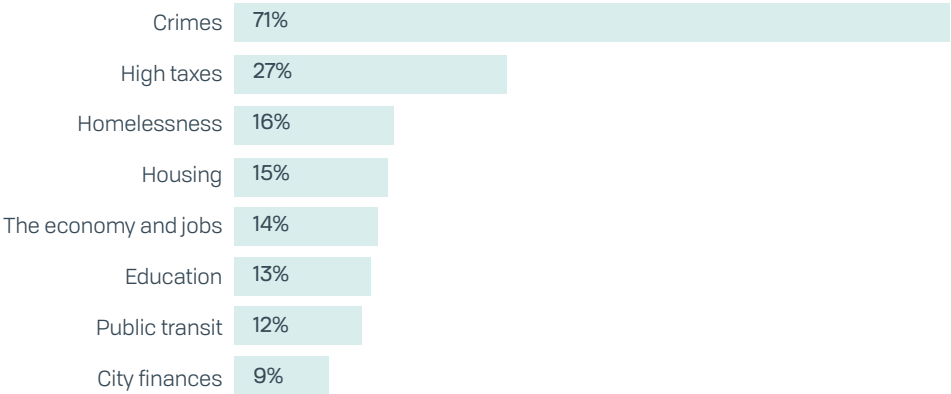
By Amy Korte

We just released our first Chicago poll in partnership with Echelon Insights. We'll be doing a second poll toward the end of the year to see how attitudes change.

This first round gave us a lot of interesting information.

71% of Chicago voters view crime as a top-2 issue

Which one or two of the following would you say is the biggest issue facing Chicago right now?



Source: Echelon Insights

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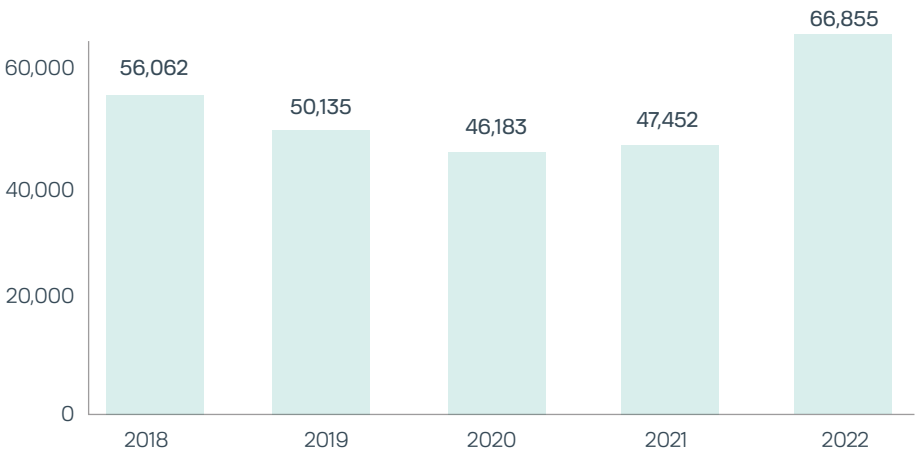
Crime (71%) and high taxes (27%) are top concerns for Chicagoans, with education close behind.

Between 2021 and 2022, overall crime in Chicago increased by 41%.

Crime in Chicago overall has increased during the past four years by nearly 20%, according to a report by the Chicago Police Department. The year-over-year change in crime was even greater last year. Between 2021 and 2022, overall crime in Chicago increased by 41%.

Chicago crime spiked in 2022

Chicago crime declined 2018 to 2020 with a slight increase in 2021 followed by a spike in 2022.



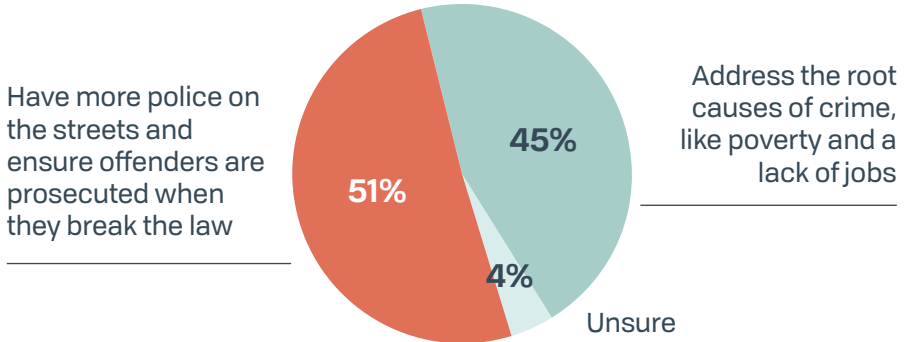
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The poll also found when it comes to tackling crime in the city, Chicagoans tend to prefer a larger police presence and more rigorous prosecution of offenders, though 45% favor an approach to public safety that addresses the root causes of crime, such as poverty and a lack of jobs.

Chicagoans tend to prefer a larger police presence and more rigorous prosecution of offenders.

51% say more police the best way to address violent crime; 45% say addressing poverty and a lack of jobs the best way

Which of these statements do you agree with more, even if neither is exactly right? The best way to address violent crime in Chicago is to...



Source: Echelon Insights

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During the past 10 years, Chicago's property tax levy has doubled, growing from \$860 million to more than \$1.7 billion in 2023.

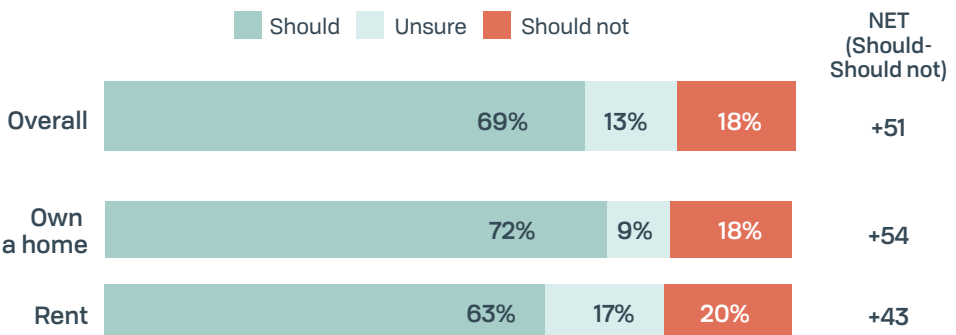
During the past 10 years, Chicago's property tax levy has doubled, growing from \$860 million to more than \$1.7 billion in 2023. These increases raise costs for homeowners, renters and businesses across the city.

Maybe that's why most Chicagoans support a property tax freeze.

And don't get us started on property taxes (OK, fine, let's do this).

Chicago voters favor freezing city's property taxes by 51-point margin

Should city leaders enact a freeze on property taxes in Chicago?



Source: Echelon Insights

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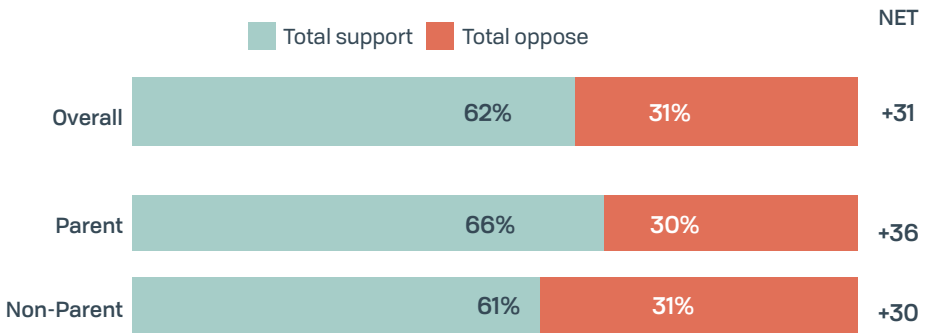
Public education gets a failing grade, but school choice passes with flying colors

Just 33% of Chicagoans were satisfied with public education in Chicago. We're not surprised, and our kids deserve better. Nearly 80% of Chicago 11th graders could

not read or perform math at grade level, according to state data from 2022. Nearly half of CPS students were chronically absent during the 2021-2022 school year. Between 2010 and 2022, the district lost more than 87,000 students — more than a 20% drop, according to an Illinois Policy Institute analysis of CPS enrollment data.

Chicago voters support school choice by 31-point margin

School choice gives parents the right to use the tax dollars designated for their child's education to send their child to the public or private school which best serves their needs. Generally speaking, would you say you support or oppose the concept of school choice?



Source: Echelon Insights

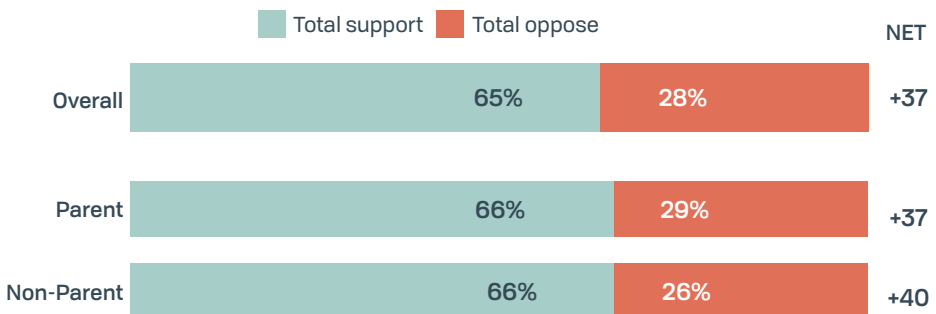
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The poll also found 62% of Chicagoans support school choice, with 65% of Chicagoans supporting Invest in Kids, a state tax-credit program that gives low-income students access to scholarship

funds that allow them to pursue the education that best fits their needs. In 2023, lawmakers will have a chance to make this popular program permanent. If they don't, it goes away.

Chicago invest in kids tax credit scholarship supported by voters 65-28

In 2017, Illinois created the Invest in Kids Tax Credit Scholarship program. This program allows for low-income and working-class families to apply for scholarships to send their children to the non-public school of their choice. These needs-based scholarships are funded by private donations from businesses and individuals in exchange for a state income tax credit for the individual or business who provided the donation. Do you support or oppose the tax credit scholarship program? or oppose the concept of school choice?



Source: Echelon Insights

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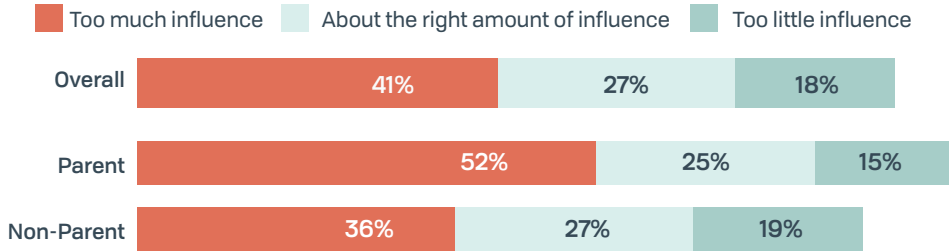
Oh, and parents say CTU has too much power over the city

More than half of Chicago parents think the Chicago Teachers Union has too much influence over city government, compared to 15% who say it has too little.

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52% of parents say Chicago Teachers Union has too much influence over the city

Would you say the Chicago Teachers Union has too much influence, too little influence, or about the right amount of influence over the City of Chicago? or oppose the concept of school choice?



Source: Echelon Insights

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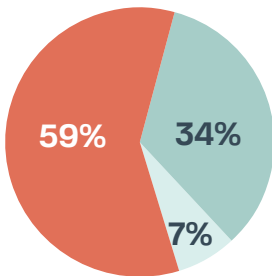
Despite the city's problems, people want to stay in Chicago

Great news: More people said they would prefer to stay in Chicago than leave. We just need city leaders to work hard pursuing reforms that make this an easier choice.

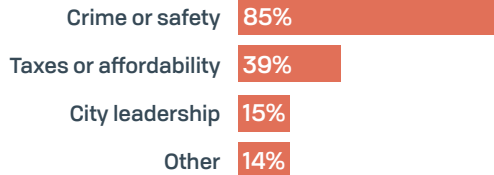
Of those saying they would leave Chicago if given the opportunity, 85% cited crime or safety, 39% cited taxes or affordability in open-ended responses as to why they want to move.

59% would rather stay in Chicago, 34% prefer to leave

Regardless of whether you have any current plans to move or not, if you had the opportunity, would you rather..?



Why would you prefer to leave Chicago?
(Asked to those who say they would move away from Chicago)



Stay in Chicago Move away from Chicago Unsure

Source: Echelon Insights

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Amy Korte is the Executive Vice President with the Illinois Policy Institute.

THE [POLICY] SHOP

The Policy Shop is a weekly podcast tackling Illinois' most important issues.



Illinois families pay highest state, local taxes in nation

A new WalletHub study found the typical household in Illinois pays 15% of its income to state and local taxes, the highest in the nation. That's an average of \$10,463 – a 22% hike since 2017.

By Dylan Sharkey

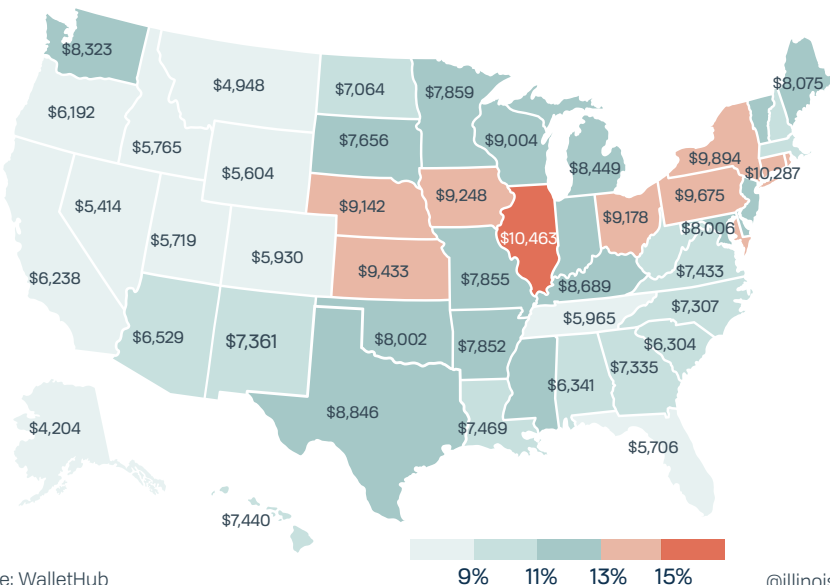
The typical Illinois family loses \$10,463 – over 15% of its income – to state and local taxes, the highest in the nation, according to a WalletHub study.

income, who owns a median valued home and other variables to rank states. In Illinois, that comes out to \$10,463, the highest in the nation and nearly \$3,000 higher than the median state of Massachusetts.

The study looked at the tax rates for someone with the U.S. median household

Illinoisans face highest state, local taxes in 2023

Illinois residents face an effective total state and local tax rate of over 15%, the nation's highest, based on the median U.S. household income. Effective tax rate, total taxes, U.S. rank by state.



Source: WalletHub

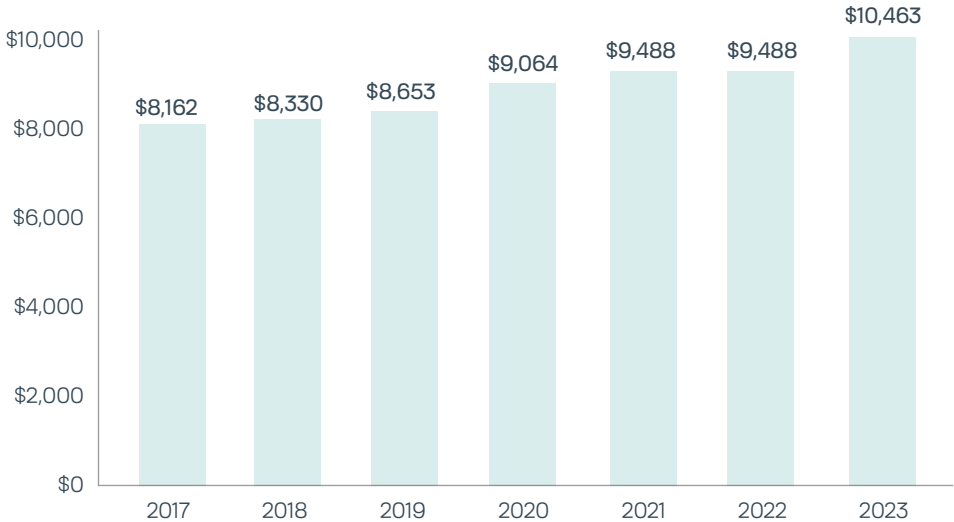
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It is also \$2,300 more than the Illinois rate in 2017, or an increase of 22%. Illinois had

the highest rate then and has kept its No. 1 tax ranking each year.

Illinois' nation-leading state, local tax burden still growing

Illinois' state, local taxes applied to median U.S. household income continue to be highest in U.S.



Source: WalletHub

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The study found Illinois state and local governments levy the nation's second-highest gas taxes. Renters feel this burden by taking on 80-90% of property tax hikes.

The study found Illinois state and local governments levy the nation's second-highest gas taxes. WalletHub's property tax rankings also show Illinois is No. 2 in the nation. Renters feel this burden by taking on 80-90% of property tax hikes.

Illinois has 3.8% of the country's population, but it carries 15.5% of the nation's pension debt.

Despite being asked to pay more than anyone else, the state has the nation's worst pension debt. Illinois has 3.8% of the

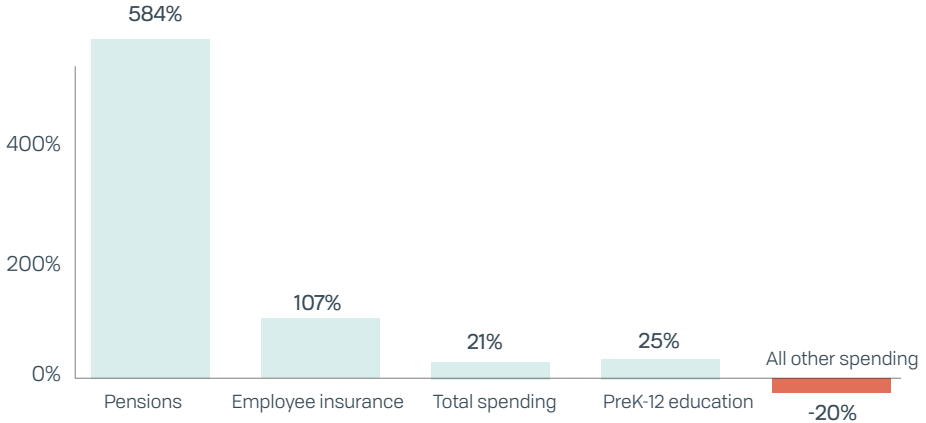
country's population, but it carries 15.5% of the nation's pension debt. Taxpayers must eventually come up with \$140 billion to pay the state's unfunded pension promises and another \$70 billion for local pensions, or a total liability of \$42,600 for each Illinois household.

Despite being asked to pay more than anyone else, the state has the nation's worst pension debt.

Those pension dollars eat up funding for core services that residents rely on. From 2000-2020, pension spending grew by 584% compared to a 25% increase for K-12 education while spending on public safety, child protection and other services relied upon by the state's most vulnerable residents dropped by 20%.

584% pension cost growth hurts core government services

Inflation adjusted growth in Illinois state expenditures by category, fiscal year 2000-2022



Source: Source: Commission on Government Forecasting and Accountability, FOIA request to Governor's Office of Management and Budget, author's calculations

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When cities and towns face dangerously high pension costs, they are forced to raise property taxes to cover shortfalls. So, residents pay more in taxes towards past government services and see fewer benefits from current government services for their money. The higher taxes also can force low-income families out of their homes, or out of the state altogether.

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A "hold harmless" pension reform plan such as one developed by the Illinois Policy Institute – based loosely on bipartisan 2013 reforms – could help eliminate the state's unfunded pension liability and achieve retirement security for pensioners.

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The 2013 reforms were rejected by the Illinois Supreme Court, which is why reform requires a change to the Illinois Constitution and that change needs state lawmakers to place the question on a statewide ballot.



Dylan Sharkey is the assistant editor with the Illinois Policy Institute.

Torchbearers of Illinois

Profiles of those who are leading the fight to restore Illinois' freedom and prosperity



“I try to convey this to all kinds of folks that I meet that no longer live in Illinois: I said, ‘You know, you came to Illinois. You maybe were born [here], you got educated, you met your spouses, you raised your families, you succeeded, right?’ This was all in Illinois, and now you’re just gonna say, ‘Hey, let that thing go down the tubes?’ To me, that’s just not an option. It’s not an option to abandon Illinois.”

Vince Kolber

Vince Kolber

Vince Kolber is the founder and chairman of RESIDCO, an asset manager of transportation capital equipment, with \$600 million in rail and aviation assets. RESIDCO leases its equipment to some of the most critical players in the industry, including FedEx, Delta and BNSF.

Vince grew up in Buffalo, New York, where he worked a handful of “dirty” jobs, even though his mother never once said, “Go get a job.” She instead would ask him, “How many books have you read?” She and her husband were frugal and set aside enough to send Vince and his brothers to college.

Vince developed a keen work ethic from a young age. He drove a delivery truck, painted houses, washed windows, cleaned luxury buses and also cleaned the grill at McDonald’s. These experiences taught him you can derive joy from the most menial tasks if you do them to the best of your ability.

“I was never without somewhere, someplace where I could find an opportunity to make a few bucks and salt them away, which is what I did,” Vince said.

Despite growing up out East, Vince’s heart is in Illinois. He fell in love “at first sight” with Chicago in 1974 when he landed and took a bus downtown..

“I was never without somewhere, someplace where I could find an opportunity to make a few bucks and salt them away, which is what I did.”

Earning an MBA from the University of Chicago, Vince went on to achieve great business success in Illinois. He has leveraged this success to improve the state that helped him get there, especially by

supporting school choice so children can have the same educational opportunities his parents gave him.

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Vince has supported the Big Shoulders Fund, which gives scholarships to students trapped in failing schools so they can attend a private, Catholic school and chart a better future. He's also been active in Republican Party politics, serving as the chairman of the Heritage Foundation's Chicago Committee and in 2016 running for the U.S. House of Representatives in Illinois' 5th District.

As a supporter of the Illinois Policy Institute, Vince says we've been fighting the onslaught, and that our existence is much more critical as we deal with our many fiscal woes.

He encourages those who have left Illinois to not ignore the problems of the place that gave them so much, even though there may be greener pastures elsewhere.

Illinois "still affords significant opportunity to young people who get to come here."

"You don't have to be here," he said. "All you have to do is support and spread the word and get your friends motivated to help us."

On the "Stay and Fight" podcast last year, Vince told Matt Paprocki "a state is a terrible thing to waste." He insisted Illinois "still affords significant opportunity to young people who get to come here."

"That to me is about preserving and growing that opportunity so that it continues for successive generations. We still have the possibility here," he said.

"That to me is about preserving and growing that opportunity so that it continues for successive generations. We still have the possibility here."

Leaders such as Vince make our mission to transform Illinois possible. He's placed himself in the asset column and has been steadfast, sincere and effective in his philanthropy.

We envision an Illinois brimming with opportunity, where anyone with determination and grit can achieve prosperity – and become a champion of the state they call home.

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