

2024 ANNUAL REPORT

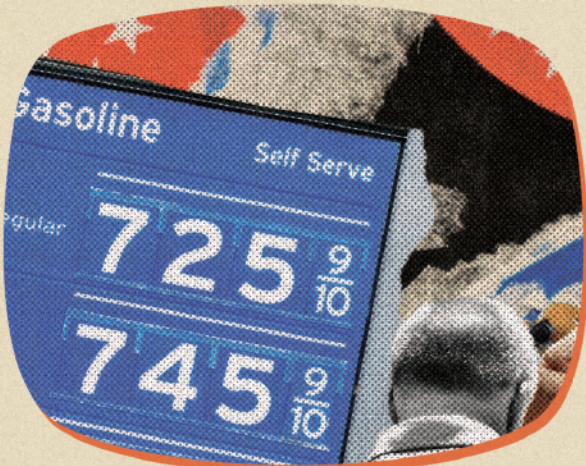


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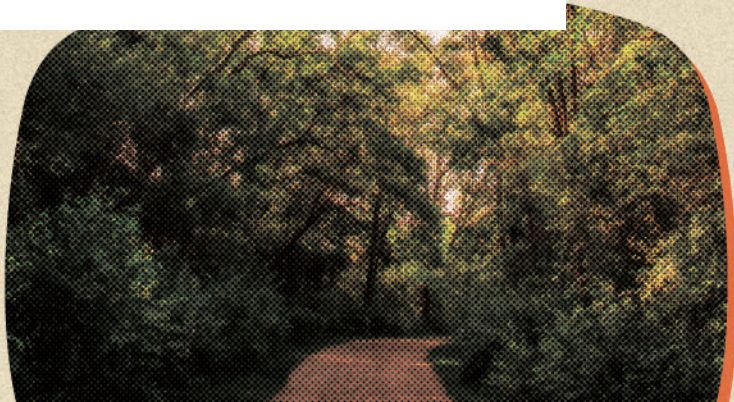
WHO WE ARE

The Illinois Policy Institute is the strongest voice for taxpayers in the state. We stand up for regular Illinoisans who deserve a voice in their government but have been ignored in favor of special interests for too long. We educate and engage Illinoisans from all walks of life to ensure our state is a place where everyone has the opportunity to thrive. Illinois is a place we should all be proud to call home.

The Illinois Policy Institute is a nonpartisan 501(c)(3) research organization. Our partner organization, Illinois Policy, is an independent, nonpartisan 501(c)(4) advocacy organization.

THE ILLINOIS POLICY INSTITUTE WORKS FOR A STATE WHERE:

- People of all talents, interests and cultural backgrounds can find dignity in work and succeed with hard work and ingenuity.
 - Effective, efficient, honest and transparent government is accountable to taxpayers and residents in need – not special interests.
 - Businesses grow, flourish and create more jobs and opportunities.
 - Laws empower people – and limit the power of government.
 - A good education is available and attainable for all students and families.
- 



PRESIDENT'S MESSAGE



EARLIER THIS YEAR, I gave a talk about the harms of Illinois' high-tax policies.

A hand shot up from the back of the room.

He said, "I had a business in the state of Illinois for nearly 20 years. When they passed the cloud tax, I had to move my entire business out of state."

This is a story I've heard too often. But what he said next continues to frustrate me.

"The hardest part is that I had to move away from my family. I miss them. I miss my friends and my employees who couldn't make the move. I miss the neighborhood that I've lived in my entire life."

Suddenly, others in the room started sharing similar stories. They spoke about their friends and family members who had left. It was heartbreaking.

When the tax policies of Illinois force people out of our state, we lose more than their income and business. We lose the roots they planted in our communities. It rips families apart.

A recent study on happiness said the four biggest drivers of our happiness are our family, our friends, our community and our faith.

While a move to Florida, Texas or even Indiana can make sense from a tax perspective, it severs us from so much that brings us happiness. While faith is very portable, our faith communities are not.

That's why the Illinois Policy Institute fights to win every day. We fight to end our system of political corruption and to restore fiscal stability and sanity to the state of Illinois. We fight to make Illinois the best place to live, to raise a family, to build a business and to pursue the American Dream.

We look forward to a day when no person will have to consider leaving behind their family, their friends, their community and the things that matter most to them because of the incompetence of our state leaders.

I'm proud to share this year's annual report with you. The Illinois Policy Institute has transformed itself from being an innovative "think tank" into an aggressive and proactive "battle tank."

We've taken the massive audience that we've built – over 2.1 million engagements weekly – and we've deployed them to win battles throughout our state, passing pension reform ballot questions, defeating Brandon Johnson's real estate transfer tax by record numbers and exposing the corrupt practices of the Chicago Teachers Union, whose public approval we've reduced from 70% to 28%.

We've also taken our case to Congress. We testified before a field hearing of the U.S. House Ways and Means Committee held in Chicago and advocated to expand work requirements for all welfare benefits – a measure that would reestablish America's commitment to the dignity of work.

That's not all. In the following pages, you will read about:

- Our megaphone's expanding reach and our growing media presence.
- Chicago Mayor Brandon Johnson's many missteps since taking office.
- Our success in confronting CTU, calling out its radical agenda and weakening its political influence.
- The good work our Center for Poverty Solutions has been doing in its first full year of operation.
- Our plans for the coming year around education transparency, competitive elections and government labor policy.

As you will read, 2024 was a turning point in the state of Illinois. It was a turning point because of you. It's your investment that sustains the fight for a freer and more prosperous Illinois.

I'm grateful for your partnership, and I am thrilled about what lies ahead for us and for our state. With your help, we'll make Illinois a place where people can live out their American Dreams and where everyone can make a home for themselves surrounded by family and friends.

Thank you,

Matthew T. Paprocki

Matt Paprocki
President and CEO,
Illinois Policy Institute



LOOKING AHEAD



AS WE START the new year, Illinois faces steep challenges. But amid the shadows cast by budget deficits, proposals to add costs to our already-sky-high pension debt and another strike threat by the Chicago Teachers Union, the Illinois Policy Institute and its advocacy arm, Illinois Policy, are shining a light on the path to a brighter future for the state.

Here are some key areas where we are focusing our efforts this year.

FIGHTING POVERTY BY CONNECTING SERVICE PROVIDERS WITH FREE-MARKET RESEARCH AND POLICY ADVOCACY

In 2023 we launched our Center for Poverty Solutions to bring free-market policies to bear on the problems of poverty in Chicago. Through the leadership of our Executive Director Dr. Eddie Kornegay, we are partnering with direct service providers to connect people fighting poverty on the ground with free-market policy research and legislative solutions.

This year, we are engaging with 30 partner organizations through our Civics and Service Incubator to promote policies that will help more Chicagoans gain full-time employment. Our research shows that only 2.3% of Chicagoans who work full time, year round fall below the poverty line. By contrast, more than

one-third of Chicagoans who do not work and nearly 40% of the unemployed are poor. Sharing ideas with our partners and

learning about their participants' experiences will inform both our research and our legislative efforts.

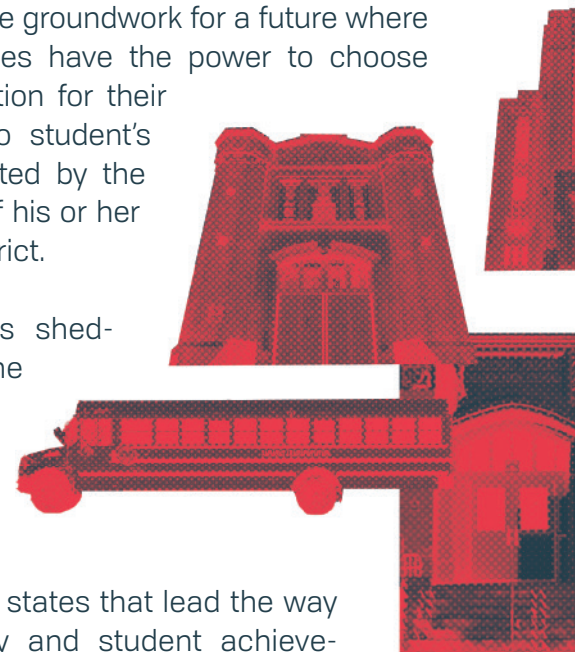
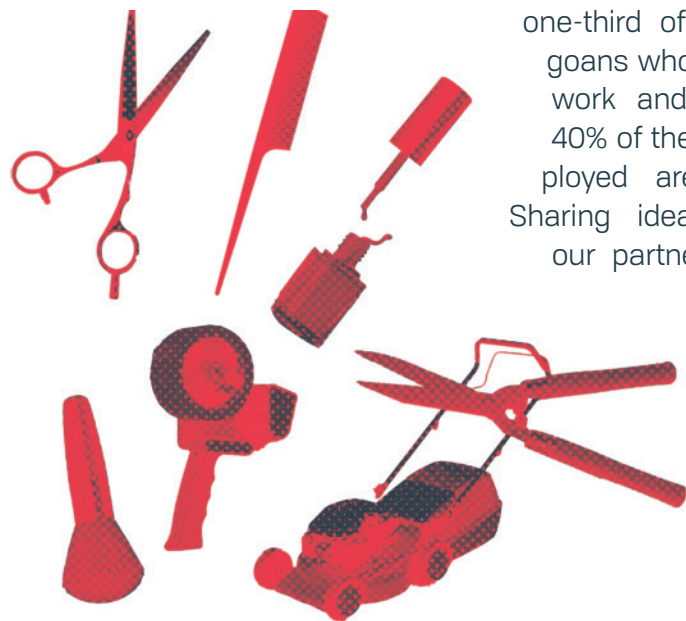
Our Illinois legislative strategy aims to remove obstacles to work such as occupational licensing requirements, which disproportionately affect low-income people. We are also collaborating with other free-market think tanks across the country and congressional offices to address deterrents to work such as benefits cliffs, which can discourage people on public assistance from advancing in their jobs and boosting their income and their long-term prospects.

EDUCATION TRANSPARENCY

We are laying the groundwork for a future where all Illinois families have the power to choose the best education for their children and no student's potential is limited by the shortcomings of his or her local school district.

Our research is shedding light on the underwhelming academic outcomes across Illinois, drawing comparisons to states that lead the way in early literacy and student achievement. To facilitate the changes our students need to excel, we are challenging the policies that keep parents in the dark and advocating for curriculum transparency laws that empower families to make informed decisions.

We are also fighting to eliminate barriers that hinder parents' pursuit of alternative education paths for their children, such as school board policies that prevent participation in extracurriculars by homeschool students and policies against charter schools.



LABOR AND LITIGATION

Illinois Policy Institute's labor policy goal is to counter the outsized influence of public-sector unions and ensure taxpayer interests are prioritized ahead of special interests.

Our labor and litigation work dovetails with our education research in 2025, as we will pursue curriculum and literacy reforms at the school board level and school capacity transparency and education choice bills at the state level. These measures aim to protect parental rights in public schools against teachers unions' monopoly control. We are also reviewing all relevant legislation filed in the Illinois General Assembly and will push back against union-backed, anti-taxpayer measures while watching for opportunities for strategic litigation.

CHICAGO POLICY CENTER / BLUE CITY STRATEGY

Chicago stands at a critical juncture. While many major American cities are thriving, Chicago remains an outlier. The city is grappling with rampant violence, declining community trust in police, ongoing unrest in schools and a population that has fallen to levels not seen since the 1920s. Corruption continues to plague Chicago city government and unsustainable debt threatens the city's economic health and burdens future generations.

The Blue City Strategy is dedicated to transforming Chicago's governance by making it accountable, responsive and effective. At the heart of this approach is the Chicago Policy Center, a strategic initiative to engage residents, reform institutions and dismantle

entrenched corruption. Chicago can become a city where residents can trust their leaders, participate meaningfully in civic life and thrive, but this can only happen

once the city's political culture and structure have been revitalized and reformed.

Illinois Policy Institute Vice President of Marketing Austin Berg will lead the Blue City Strategy under the Chicago Policy Center, driving efforts to bring effective governance and civic engagement to Chicago. Co-author of "The New Chicago Way: Lessons from Other Big Cities," Berg will build coalitions around innovative solutions to the city's complex policy challenges.

We plan to launch our Blue City Strategy/Chicago Policy Center in 2025 with foundational policies that include a roadmap for a city charter to permanently change the way the "city that works," works.

RUN ILLINOIS – RECRUITING CANDIDATES FOR MORE COMPETITIVE ELECTIONS

In 2022, Illinois Policy set out to fight the apathy that comes from having no choices at the ballot box. On average, fewer than 58 of the 118 Illinois House seats were contested from 2012-2020 – meaning more than half of the Illinois House members had run unopposed.

As a result of our candidate recruitment efforts, 2022 was the most contested non-presidential election in the past two decades, with 3.8 million Illinoisans voting in 79 competitive Illinois House of Representative elections. These competitive House races provided real choice for 900,000 Illinois voters who otherwise would have had only one option on their ballots.

We continued this effort in the 2023-2024 cycle, and 26 Illinois House candidates and three Senate candidates competed for seats in the November election against candidates who otherwise would have gone unopposed. Ten of the 28



candidates we helped get on the 2024 ballot received endorsements by the Chicago Tribune.

In 2025, we continue our effort to make Illinois elections fairer and more competitive by recruiting and vetting candidates to run in historically uncontested Illinois House races in the 2026 election.

LOCAL GOVERNMENT INITIATIVES

While the Illinois General Assembly and the governor's mansion are dominated by leaders who oppose free-market policies, the story is different in many Illinois counties, townships, smaller cities and villages. In 2024, Illinois Policy reached out to friendly local governments to introduce measures that could make their communities more conducive to economic growth and give their residents a chance to weigh in on laws that increase taxes and debt and foster corruption.

As a result of these efforts, Barrington Township's board adopted a pension reform advisory question that appeared on the Nov. 5 ballot. Voters in that district voted overwhelmingly, 73% to 27%, in favor of supporting constitutional changes that will allow for pension reforms.

In April 2025, Illinois voters in townships such as Palatine, Lemont and Homer, among others, will have the chance to make their voices heard on advisory questions about pension reform, unfunded mandates that spur local tax increases and gerrymandered maps that protect incumbents from competition. Officially obtaining public support for reforms will help ripen the ground for the state-level changes required to address the problems of pension debt, high taxes and corruption.

This year we will engage with free-market-friendly local governments to introduce policies that promote economic growth, fiscal responsibility and government transparency and bring down the cost of doing business and buying a home.

Our proposed initiatives include reducing impact fees imposed by local governments on new developments, ensuring taxpayer dollars are spent wisely through measures such as zero-based budgeting and ensuring basic local government information is easily accessible on local websites. We will also propose measures to make housing affordable by eliminating unnecessary regulations that make it difficult to build.

We look forward to seizing the many opportunities we have not only to spotlight the problems in our state but also to point out and advocate for the sound policies that will help us change the status quo.



EXTENDING OUR REACH IN 2024

THE ILLINOIS POLICY Institute expanded its reach significantly in 2024, solidifying itself as the state’s largest and most powerful voice for taxpayers.

Not only did the institute educate millions of Illinoisans across our channels, but we activated them to advance commonsense, free-market reforms. Here’s how that happened.

OVERALL MEGAPHONE

Our website, illinoispolicy.org, garnered over 10 million views in 2024. Institute social media channels similarly recorded historic growth with over 9 million video views.

OUTLET	FACEBOOK	X/TWITTER	INSTAGRAM	TIKTOK	YOUTUBE
FOLLOWERS	361K	43K	49.7K	8.3K	13K

THE MORNING BRIEFING

The Morning Briefing email newsletter was read 27.5 million more times in 2024 than in its inaugural year. Our content was viewed over 66 million times and readers turned to us to curate the news important to Illinois’ liberty and prosperity. The average email had 331,000 people opening it, up from 229,000 in 2023.

A growing number of people are relying on our daily updates to stay in touch with breaking news. If our average day of 331,000 Morning Briefing readers lived in the same place, it would be the second-biggest city in Illinois, behind only Chicago.

One thing separating us from our competitors is we work to provide readers with content during holiday breaks when other newsletters take time off. Our Thanksgiving edition of The Morning Briefing had 260,000 openers and the Christmas Day edition had 270,000.

Even during the holidays, our readers are looking to us for the facts instead of scouring a long list of sources to stay informed.

SHORT VIDEOS

Our short-form videos on social media reached more people than those of any state-based think tank in the country.

In 2024, we saw 9.6 million views on Instagram, TikTok, YouTube and Facebook. Nearly all were short-form videos. Unlike our emails, these videos primarily target a younger audience, those 44 and younger, as the institute wins over the next generation of voters.

Total views in 2024: 9,607,245

EARNED MEDIA

Within legacy media, the number of institute op-eds that have been published in major newspapers continued to grow. In 2024, we secured a record-setting 72 op-eds published in targeted newspapers alone. This beat out our top competitors, securing our voice as the loudest and biggest leader in public policy.

ACTIVATED AUDIENCE

Illinois Policy encouraged our audience to make a difference in 2024. When several key initiatives were up for debate in Chicago City Hall, including a \$300 million property tax hike, we drove our audience to contact their aldermen and end the proposals. Ultimately, Chicago aldermen defied the mayor and approved a budget that did not include any kind of property tax increase. In total, aldermen received nearly 3,000 contacts from members of our audience on a range of issues in 2024, and the results showed they listened.

YOUR ROLE

Your investment has helped us grow into an influential free-market think tank that is making life better for Illinoisans. Tally it up, and our messages reached people well over 100 million times last year – nearly eight per Illinoisan. With your continued support, we will further expand our reach and lead Illinois' comeback.

The Morning Briefing opens increased 27.5M in 2024

Total opens of The Morning Briefing by year

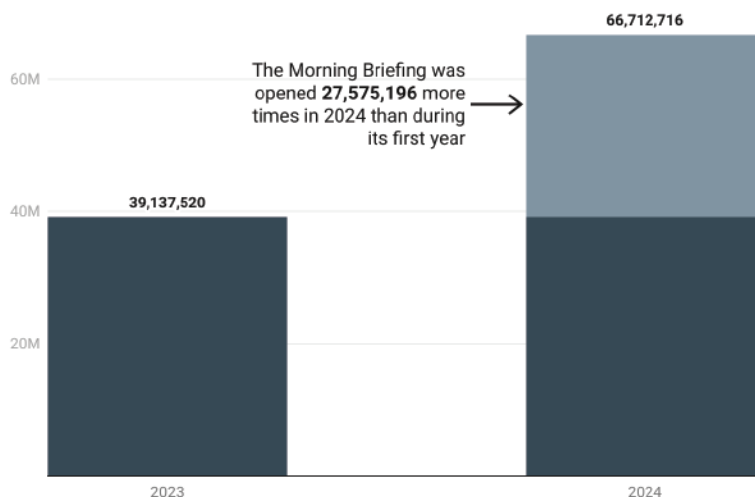


Chart: @illinoispolicy • Created with Datawrapper

Illinois Policy Institute passes 9.6M video views in 2024

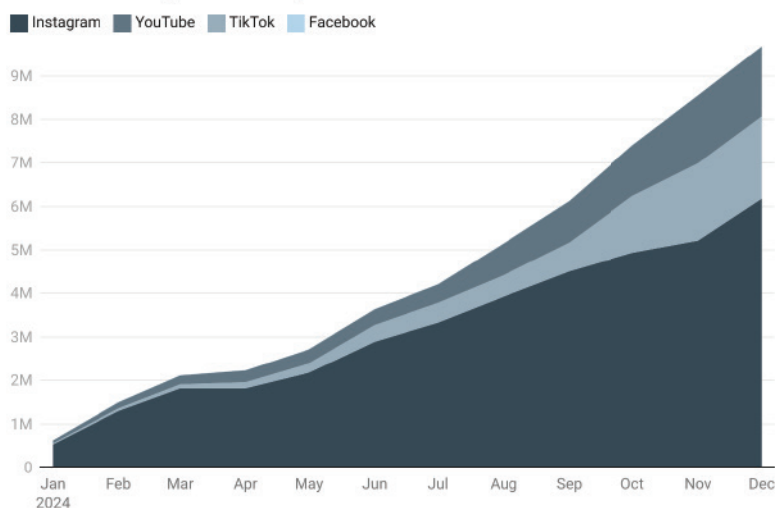


Chart: @illinoispolicy • Created with Datawrapper

Opinion pieces published in target outlets grew, 2018-2024

Illinois Policy Institute opinion placements in the Chicago Tribune, Chicago Sun-Times, Crain's Chicago Business, Real Clear Policy and National Review.

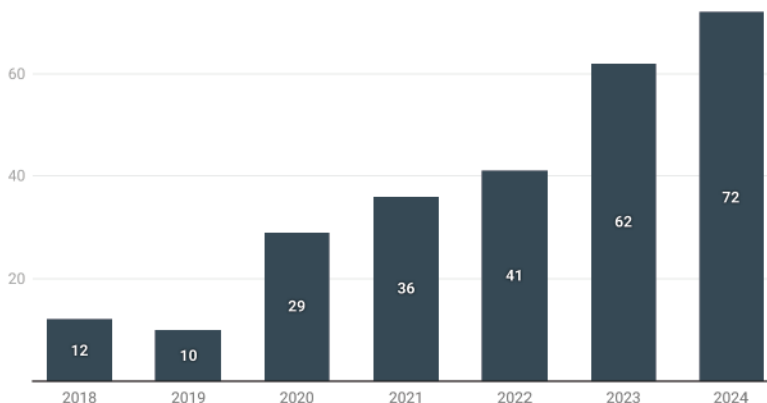


Chart: @illinoispolicy • Created with Datawrapper

FROM POVERTY TO OPPORTUNITY





THE ILLINOIS POLICY INSTITUTE established the Center for Poverty Solutions in 2023 to provide innovative, free-market approaches to the alleviation of poverty. The center just finished its first full year of working to empower individuals.

The center works with direct-service organizations to identify effective anti-poverty solutions and to help providers grow those solutions to move more people from assistance to self-reliance. The center also builds upon the institute's strong history of successfully advocating for policy changes. The ultimate mission of the center is to restore the sense of human dignity and purpose to our disadvantaged neighbors that government dependence has undermined.

There are about 450,000 Chicagoans living in poverty. The concrete goal of the center is to reduce that number 5% by 2033. A 5% reduction in Chicago's poverty rate would result in 22,574 self-sufficient Chicago residents breaking the cycle of poverty. This 5% reduction represents \$1.5 billion to \$2.1 billion in annual economic potential, or \$27,000-\$38,000 per impoverished individual.

The center in 2024 has worked to change the conversation about poverty by publishing original research, recommending policies designed to enhance employment opportunities and giving testimony at a congressional field hearing. Under the leadership of Dr. Eddie Kornegay, executive director, the center has forged partnerships with 30 direct-service organizations. It has worked with our partners to better coordinate their poverty alleviation efforts and to craft innovative approaches that harness the power of the free market to unleash human potential and make lasting gains against one of the most difficult social problems facing our state and nation.

In its inaugural report, "Common-ground solutions to empower Chicago's poor: A model for America's cities," the center's policy experts identified seven free-market solutions with consensus between conservatives and liberals on how to empower individuals to rise out of poverty. The solutions are:

- Empower people through the dignity of work.
- Prepare individuals for the future of work.
- Remove barriers to work.



- Reform our education system.
- Restructure safety net programs.
- Promote affordable housing.
- Promote family formation and stability.

In subsequent reports, the center focused on increasing housing affordability by increasing housing supply. Center research also pointed the way to greater access to entry-level career opportunities by urging excessive and time-consuming occupational licensing requirements be scaled back.

The center has also begun working to advance poverty solutions at the federal level, lobbying the U.S. Department of Government Efficiency and Congress to reform benefit cliffs, which occur when someone loses government benefits because they earn too much money, usually through a raise or promotion or a new job. These counter-productive benefit adjustments create an obstacle to professional growth, discourage individual initiative and hamper social uplift.

The work of the center is beginning to make an impact on the national conversation. Illinois Policy Institute President and CEO Matt Paprocki was invited to give testimony to the U.S. House Ways and Means Subcommittee on Work and Welfare addressing “The Dignity of Work: Lifting Individuals Out of Poverty.”

In his testimony, Paprocki urged policymakers to stop seeing poor people as social liabilities who are paid to go away. Instead, we should see them as neglected and underutilized assets to society who should be encouraged to pursue meaning and prosperity through work. “Jobs have value. Humans have value. Poor people have value and they are some of the greatest assets we have in this country,” Paprocki said. “We need to restore this idea that all work has dignity.”

This is the vision the center seeks to realize at the local level. We crafted numerous bills for the 104th Illinois General Assembly to address housing affordability and the dignity of work with occupational licensing reform. Our experts have also presented at national conferences and appeared in national podcasts to discuss the center’s work.

Dr. Kornegay works in partnership with direct-service organizations to develop programs, craft policies and exchange ideas about the best ways to empower people to overcome poverty. This work informs our policy solutions.

We are currently working with organizations dedicated to advancing education and workforce development, removing barriers to work, securing affordable housing and facilitating workforce reentry. Our partners include i.c.stars, the HOPE Center Foundation, the Illinois Coalition to End

Perpetual Punishments, the Decarceration Fellowship, Life Impacters Foundation, Chicago City Life Center, the Eden Career Institute and Project H.O.O.D./New Beginnings Church.

The center encourages its partners to come up with untested, yet promising approaches that they themselves assist in crafting. We provide a safe and supportive space for innovative thought and practice through the Civics and Service Incubator, where new models and methods can be tested by coalition partners for their ability to create more effective models of direct service. This innovative collaborative model facilitates policy creation from frontline – bottom up – engagement.

A recent innovation – the neighborhood employment coop – illustrates the center’s sometimes unconventional approach to addressing deeply entrenched problems that contribute to the persistence of poverty. Working with our partners, we identified two primary Chicago neighborhoods, Austin and Englewood, on which to focus our efforts because they are among the most disadvantaged in the city. Community members serve as the locus of activity as they leverage their grassroots relationships to connect individuals seeking employment with employers who can quickly hire them. These job placement efforts will be coordinated through the neighborhood employment coop. Each neighborhood coop will include block clubs and other micro-organizations that connect community members to jobs. The aim is to facilitate non-traditional hires, making it possible for unemployed and hard-to-employ people to obtain work, as well as those who are newly entering the job market.

By enabling people to obtain work quickly, we will help them to move forward in their lives, increase their sense of agency and encourage them to flourish. As our model succeeds in matching workers to open roles, this may inspire a rethinking of the traditional employment services model. Our success will mean people whose options to obtain employment are limited are able to advance and experience for themselves the re-

wards that come with playing a productive role in their neighborhood. Our approach to reducing poverty is innovative because it concentrates on empowering people within a neighborhood to connect with one another, to make a contribution and to feel useful. Our efforts nurture working neighborhoods, block by block. As this process unfolds, whole communities are uplifted.

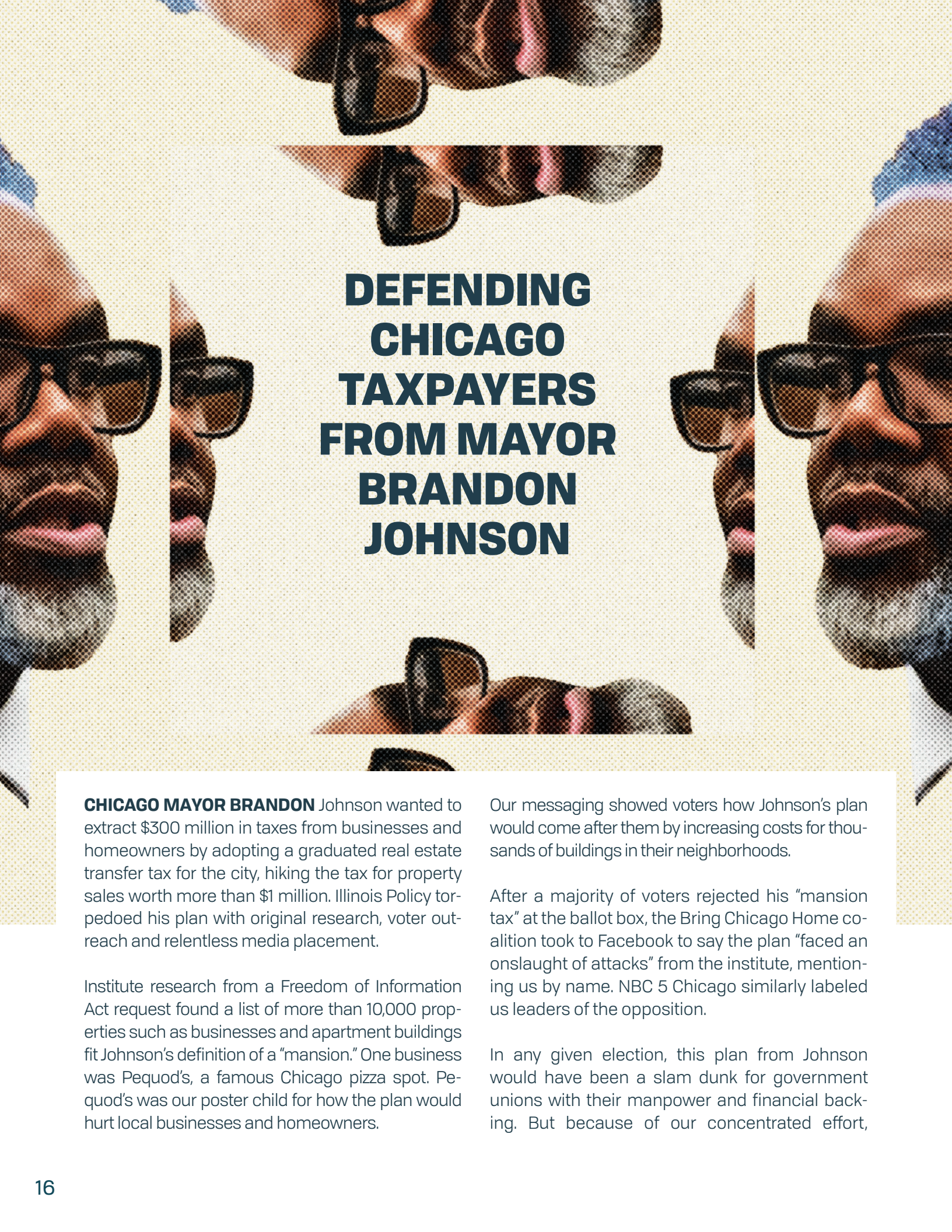
One of the center’s guiding practices is to listen to those who are closest to the problem, who are on the ground working with the people we ultimately seek to help. Our role is to provide these direct-service providers with technical support, leadership resources, civic engagement strategies and policy formation assistance to further our common mission.

The Center for Poverty Solutions is also developing advisory cohorts with our aligned service providers. Each cohort consists of a group of 12 service providers, each committing to a 12-month engagement. The center’s plan is to launch a new cohort each year. The experience of these cohorts will inform policy development and assist us in assessing what are the best approaches for poverty alleviation.

Other plans include regular provider engagement meetings, special topics webinars and special events to highlight partnerships.

The importance of the center’s work is attested to by Chicago’s poverty crisis, one of the worst in the nation. There are 17.2% of Chicagoans living below the federal poverty line, up from 12% before the nation launched its War on Poverty in 1965.

The Illinois Policy Institute’s Center for Poverty Solutions is dedicated to reversing that trend by providing a pathway to prosperity for those who need it most.



DEFENDING CHICAGO TAXPAYERS FROM MAYOR BRANDON JOHNSON

CHICAGO MAYOR BRANDON Johnson wanted to extract \$300 million in taxes from businesses and homeowners by adopting a graduated real estate transfer tax for the city, hiking the tax for property sales worth more than \$1 million. Illinois Policy torpedoed his plan with original research, voter outreach and relentless media placement.

Institute research from a Freedom of Information Act request found a list of more than 10,000 properties such as businesses and apartment buildings fit Johnson's definition of a "mansion." One business was Pequod's, a famous Chicago pizza spot. Pequod's was our poster child for how the plan would hurt local businesses and homeowners.

Our messaging showed voters how Johnson's plan would come after them by increasing costs for thousands of buildings in their neighborhoods.

After a majority of voters rejected his "mansion tax" at the ballot box, the Bring Chicago Home coalition took to Facebook to say the plan "faced an onslaught of attacks" from the institute, mentioning us by name. NBC 5 Chicago similarly labeled us leaders of the opposition.

In any given election, this plan from Johnson would have been a slam dunk for government unions with their manpower and financial backing. But because of our concentrated effort,

Illinois Policy was able to frustrate this scheme to take even more from taxpayers.

TRAILBLAZING THE APPROVAL RATING NARRATIVE

The institute started a trend of tying Johnson's unpopularity to a number. We were the first to poll voters on his approval rating which has become a recurring theme in the narrative of his administration. The migrant crisis and the Democratic National Convention put Chicago under a national magnifying glass, and our research gave local and national media a chief indicator of Johnson's job performance.

Johnson had the lowest approval rating for a host mayor in the history of the DNC, and the lowest recorded for any Chicago mayor. We used our polling to show Chicagoans they are living under a mayor whose approval rating set a record for lowest in Chicago history.

After releasing our polling, other news outlets followed our lead to the point where they directly asked Johnson about his low approval rating, forcing him to acknowledge a trend we discovered. Sinking approval ratings make him and his former employer, the Chicago Teachers Union, far less influential with persuadable policymakers who are looking to distance themselves from the radicals and their agenda.

MOBILIZING CHICAGOANS AGAINST PROPERTY TAX HIKES

Johnson touted himself as a candidate who would not rely on property tax hikes as a revenue source. Well, once in office, that changed. Johnson looked

to the City Council for a \$300 million property tax hike in Chicago's budget, but he didn't anticipate our audience speaking up.

In the hours leading up to the vote, we sent out a digital tool linking people directly to their aldermen's contact info and pre-written material telling them to reject property tax hikes. More than 400 Chicagoans on our email list took advantage of this feature, and the result was a unanimous rejection by the City Council, 50-0, of Johnson's \$300 million property tax hike proposal.

He set his sights lower: a \$150 million hike was rejected and then finally a nearly \$70 million

property tax hike was spiked. As Johnson repeatedly broke his cornerstone campaign promise, more than 500 Chicagoans in our audience contacted their aldermen using our email outreach tool. Of the 50 city council

members, 48 were contacted by a member of our audience.

City aldermen felt the pressure to the point that they passed a budget with no property tax hikes. In total, someone from our audience contacted their lawmaker telling them to vote "no" nearly 1,000 times.

We have met the Johnson administration at every turn, equipping the public, media and lawmakers with the necessary tools and information to stand up against a government seeking to claw away more and more from its residents.

So far it's Johnson, 0. Taxpayers, 2.



CHICAGO TEACHERS UNION: FROM POLITICAL MACHINE TO POLITICAL LIABILITY



CTU, affiliates biggest spenders on Chicago politics

Total political spending from groups contributing \$1 million or more to candidates for Chicago mayor, city council, city clerk and city treasurer, Feb. 28, 2022 - May 4, 2023

	Donor	Total donations
1	Chicago Teachers Union Illinois Federation of Teachers American Federation of Teachers	\$6,495,367
2	Service Employees Local 1 SEIU Local 73 SEIU Healthcare & IL Council	\$6,115,825
3	Willie Wilson	\$6,058,500
4	Chicago Land Operators PAC IUOE Local 399	\$1,158,408
5	Fight Back Fund	\$1,000,000

Table: @illinoispolicy • Source: [Illinois State Board of Elections](#) • [Get the data](#) • Created with [Datawrapper](#)

GOVERNMENT UNIONS ARE the biggest barrier to free-market reforms. Without their relentless activism and policy interference, Illinois would be far freer and more prosperous. The Chicago Teachers Union acts as though it is entitled to run the state, and its influence on public policy is far greater than it should be.

CTU and its government union allies are the leading negative political force in both Chicago and Springfield, passing measures aimed at furthering an agenda of progressive Socialism while blocking commonsense measures that would ensure every Illinoisan has the opportunity to achieve the American Dream.

But that started to change in 2024. CTU and its former employee, Mayor Brandon Johnson, were embroiled in turmoil and scandals throughout the year – and the institute was there to expose it all.

CTU’S RISE TO POLITICAL MACHINE

CTU has long been a political player in the state. The union has funneled more than \$24.3 million into Illinois candidates and political action com-

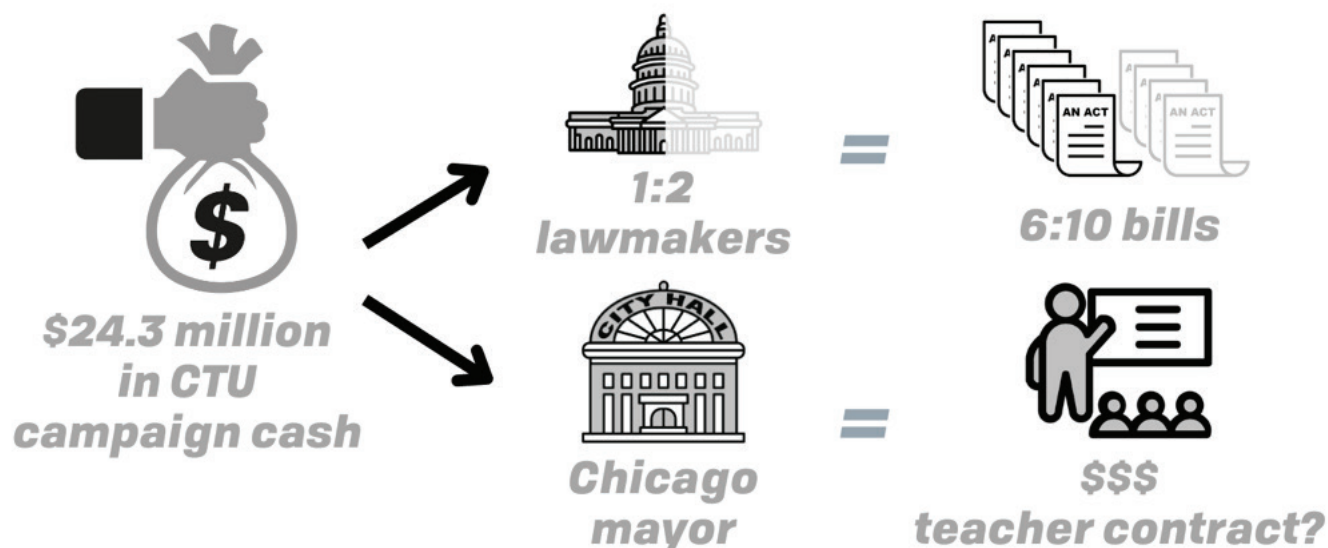
mittees since 2010, when the Caucus of Rank-and-File Educators took over CTU leadership, according to records with the Illinois State Board of Elections.

But the union cemented its place as Chicago’s new political machine when it bankrolled former union operative Johnson and propelled him into the mayor’s office. The union contributed nearly \$2.3 million to Johnson’s campaign leading up to the election, even breaking its own internal rules with a \$1.5 million contribution of members’ dues in March 2023.

It wasn’t just the fifth floor of city hall the union was after. The union has also funneled over \$850,000 to 30 of the 50 current Chicago aldermen. In the year leading up to the 2023 municipal election, CTU and its affiliates were the biggest spenders on Chicago politics.

While CTU may be a Chicago-based union, its political efforts don’t stay local. As of September 2024, it had poured \$1.3 million into the coffers of sitting state lawmakers and \$500,000 into

CHICAGO TEACHERS UNION QUID PRO QUO



Source: Illinois Policy Institute

@illinoispolicy

other Democratic election committees that can disperse money to candidates.

There's more to being a "political machine" than simply bankrolling a crony into office. CTU also got results in other areas.

CTU FLEXES ITS MUSCLES

CTU's spending creates a quid pro quo between the union and politicians in Illinois. That relationship was recently acknowledged by Illinois Senate President Don Harmon during his comments at the Democratic National Convention. "Democrats don't win without organized labor... We gotta stick together," he said.

From the mayor's office to the Statehouse, CTU has reaped the rewards of its political spending.

Within weeks of Johnson taking office, CTU started capitalizing on its investment. For example, one of Johnson's early administrative picks was Jennifer Johnson, former CTU chief of staff. She was initially chosen as the deputy mayor for education, youth and human services. CTU President Stacy Davis Gates said she was "absolutely elated" by the appointment.

In 2024, CTU started negotiating a new union contract with Johnson's administration, pushing more than 700 expensive provisions – many of which have nothing to do with education or employment, such as the creation of affordable housing programs and "climate justice." These demands would add at least \$10 billion in additional costs for taxpayers to cover during the five-year lifetime of the new contract. At a speech at the City Club of Chicago, Davis Gates said the union's demands "will cost \$50 billion and 3 cents. And so what? That's audacity. That's Chicago."

CTU's lawmaker donations also got results. During the 103rd Illinois General Assembly, which ran from 2023 through 2024, the union officially registered its position on 59 bills, supporting 54 and opposing five.

Here's the kicker: lawmakers passed 32 of the 54 bills CTU supported. That's a nearly 60% passage rate. None of the bills it opposed passed. Taken together, the Illinois General Assembly did what CTU told them to do on more than 6 out of every 10 bills. From charter schools to minimum wage at restaurants, CTU had an opinion – and lawmakers listened.

Chicago Teachers Union spends over \$24.3M on Illinois politics



Chart: @illinoispolicy • Source: Illinois State Board of Elections • Get the data • Created with Datawrapper

That’s more power than any special interest group should have. But thanks to exposure by the institute, that power is waning.

2024 was a year of turmoil – and political defeats – for CTU and its crony Mayor Brandon Johnson

A year of scandal and internal union turmoil – exposed and examined by the institute – took its toll on CTU. The political will of local Chicago leaders as well as state lawmakers to toe the Johnson-CTU line is wavering.

DEMANDS EXPOSED

In early 2024, the institute obtained a leaked copy of the union’s demands for a new contract.

The institute examined those provisions and revealed the demands could cost taxpayers nearly \$14 billion over the course of the contract.

Demands included \$51,000 in raises for the average teacher, thousands of new positions, a fully-electric bus fleet, keeping secrets from parents about their children, hiding the school curriculum from parents and providing \$2,000 for each asylum-seeking student.

The union demanded a settled contract – under its terms – by Christmas, so it could finalize its demanded provisions before the newly elected school board was sworn in. That did not happen, and as of January 2025 the union and CPS had entered a form of mediation.

The union also had been demanding 180 new “sustainable community schools” – a model the institute has relentlessly exposed as having the worst student outcomes in the district. The union appeared to have settled for just 50 as of January 2025.

FISCAL MISMANAGEMENT EXPOSED

CTU and its president, Stacy Davis Gates, continued their track record of poor fiscal management, and the institute was there to alert the union's members.

For example, the institute reviewed the union's federal filings and revealed just 20% of the union's spending was on representing its members in its 2024 fiscal year, with the rest going to administration, politics and other union leadership priorities.

The union spent \$2 million on politics between July 1, 2023, and June 30, 2024, plus an additional \$1.74 million on the CPS school board races in November.

The institute also reported the union has ignored its own internal rules by failing to release an annual audit to members for four years. CTU members represented by the Liberty Justice Center subsequently filed a lawsuit against the union. The lawsuit is pending.

CRONYISM EXPOSED

When CTU handpicked and bankrolled Johnson into office, cronyism was expected. But CTU took it to a new level in 2024, and the institute was there to expose it.

The union was a top funder of Johnson's tax hike proposal, "Bring Chicago Home." While the proposed tax hike was supposedly intended to create low-income housing to help the homeless, CTU incorporated the potential funding into its contract demands. It wanted to use the funds generated to pay for housing for its members – including teachers making nearly \$100,000. CTU wanted the tax hike for "financial assistance for CTU members to live and work in the city."

The union's cash grab included pulling students out of class for a "day of political engagement" – i.e., escorting students to the polls to vote for the tax hike. After the institute filed an ethics com-

plaint with the inspector general and the district's ethics office, the CTU stunt caught the media's attention. Media interviews from CTU's rally revealed students were told how to vote during the event, and the institute filed another complaint. Both the inspector general's office and the district responded they were investigating.

But the union's money and antics couldn't save the tax hike. Chicagoans voted down the ballot initiative, marking a significant defeat for Johnson and CTU.

The union also partnered with Johnson in a move to oust CPS CEO Pedro Martinez. Johnson wanted the district to take out a high-interest loan to bankroll CTU's contract and a pension payment. But both Martinez and the school board rejected that plan, with Martinez labeling it "exorbitant" and fiscally irresponsible. Johnson retaliated by demanding Martinez resign. Martinez refused, and subsequently the entire school board resigned, leading 41 Chicago aldermen to write a letter stating the board resignations would bring "further instability" to the district.

In the meantime, the union was on a mission to take over the school board in the November elections. The union ultimately spent \$1.74 million on nine contested elections, as reported by the institute – but the union's candidates won only three of them. While Johnson has appointed the majority of the now-hybrid school board (i.e., 10 elected, 11 appointed), it marked a major loss – at a significant price tag – for the union.

EDUCATIONAL FAILURES EXPOSED

It would be one thing if CTU were demanding millions while delivering good student outcomes. But the opposite is true.

Test scores and academic performance have continued to drop, while education spending has continued to rise. Fewer than 1 in 3 CPS students can read at grade level, as analyzed by the institute. Even fewer are proficient in math.

Perhaps this shouldn't be surprising, because CTU puts student interests last. For example, when lobbying lawmakers for more money, the union directed teachers to skip class to travel to Springfield. Not only did that leave students with substitutes and a disrupted school day, it also cost taxpayers up to \$144,000.

The union's attack on school choice and charter schools was also on full display. When the Acero Schools charter network announced it would be closing seven schools, the institute examined the union's strategy in unionizing the schools in order to close them and then absorb them into the public school system.

But we are helping the public to realize: CTU isn't in it for the kids.

CTU IS LOSING IN SPRINGFIELD AND POPULAR OPINION IS SHIFTING

The massive public attention on CTU and its tactics is changing minds. In addition to losing very public battles for a tax hike and failing to get most of its endorsed school board candidates elected, the union suffered other political and reputational losses in 2024.

CTU and Johnson began experiencing rejection from Springfield in the summer of 2024. Johnson and CTU leaders called on Springfield to funnel \$1.1 billion to CPS after it squandered pandemic aid money, but that plea went unanswered. Gov. J.B. Pritzker later had harsh words for the union.

"I don't think that that's the job of Springfield, to rescue the school districts that might have been irresponsible with the one-time money they received," Pritzker told a Springfield blogger.

CTU also ruffled lawmakers' feathers after labeling as "racist" the Democrat-sponsored bill aimed at pausing the union's assault on selective enrollment schools.

Lawmakers should continue to be ruffled by CTU's tactics, as distancing themselves could ingratiate them with their own constituents. According to an institute survey, 55% of voters indicated they would be less likely to vote for candidates supported by CTU (39% much less likely, 15% somewhat less likely). That's bad news for a union that pours money into campaigns for the legislative quid pro quo.

What's more, Chicagoans really don't like CTU.

During the entirety of Rahm Emanuel's tenure as mayor, CTU enjoyed a 60% approval rating from the people of Chicago. When the institute started polling in January 2023, 57% of voters still had a favorable opinion of the union versus just 40% with an unfavorable opinion.

But by December 2024, following a year of the institute's investigations and reporting, the union's reputation had flipped. Just 30% of Chicagoans had a favorable opinion of the union, with 45% unfavorable.

That's a seismic shift. But parents, taxpayers and CTU members themselves are realizing the truth: CTU is not a teachers union. CTU is not an education advocacy group. CTU is a political machine, and with your help its power is waning.

INTERNSHIPS: HELPING GROW LIBERTY

SO WHERE DOES the future of the liberty movement come from? You help us grow it through internships.

The Illinois Policy Institute provides internship opportunities for highly qualified university students who display a dedication to free-market principles and who wish to acquire hands-on experience in crafting and promoting pro-liberty approaches to policy problems. Internship experience is designed to provide participants with a solid introduction to free-market philosophy and policy, plus give them work experience.

Interns assist the institute with research tasks and contribute to the completion of special projects, such as our initial work showing red-light cameras had taken \$1 billion from Illinois drivers in a decade. In many cases, interns make significant contributions to our efforts and earn author credits on publications. Our interns have come from such schools as the University of Chicago, University of Illinois, University of Notre Dame, Hillsdale College, University of Michigan, College of the Holy Cross, Georgetown University, Indiana University, Baylor University and Harvard Law School.

Interns gain experience, and sometimes the institute gains valued employees. Seven full-time staffers were formerly interns.

Below are the comments from some interns turned employees, as well as those who are elsewhere leading or preparing to lead the liberty movement.



AIMEE MORRISSEY

“At such an early stage in my career, I wouldn’t have expected to gain the level of substantive experience that I did at the Illinois Policy Institute. The practical expertise and analytical rigor I gained at the institute were critical

steppingstones that led me to my internship in government affairs at Boeing and my current role at the Penta Group in Washington, D.C., where I continue to rely on the careful research and writing skills I developed at the institute. The institute staff’s focus on purpose, humility and genuine impact stood out to me as an intern, and the people I worked with certainly embody the values of the organization in their daily interactions. I remain grateful not only for the substantive skills I learned and the professional relationships I built, but also for how this experience fundamentally shaped my policy perspectives and values, which continue to guide my work today.”

Aimee Morrissey served as a policy intern at the Illinois Policy Institute as an undergraduate student at the University of Notre Dame, majoring in political science and minoring in constitutional studies and business economics. She is interested in the topics of education and school choice in Illinois. She is currently a strategy associate at the Penta Group.



JOE BARNAS

"My time as a marketing intern at the Illinois Policy Institute prepared me for everything I do today as marketing director at a nonprofit, public-inter-

est legal organization. Whether it was contributing to the effort to defeat the progressive income tax ballot amendment, learning the ropes of AP style, analyzing municipal comprehensive annual financial reports to uncover taxpayer-subsidized boondoggles, filing FOIAs to build a database of red-light camera revenues or amplifying the voices of everyday Illinoisans through Illinois Policy's 'Your Story' project, my internship not only helped me develop tangible skills at the intersection of policy advocacy and marketing, but also gave me the opportunity to contribute to the fight to restore prosperity in the state I've always called home. The mentorship I received during this experience challenged me, pushed me to develop my abilities and fostered intellectual growth in a way that set me on the path I am on today."

Joe Barnas was a storytelling intern for the institute's marketing team, where his photojournalism work on the state's red tape and tax burden was viewed millions of times. He earned a B.A. in public policy and economics at the University of Illinois-Chicago and an M.A. in medieval and renaissance studies at the University College, London. He is currently director of marketing for the Thomas More Society.



DYLAN SHARKEY

"My early days at the institute gave me a chance to understand and appreciate the

work of the organization before joining the staff full time. I think more organizations should give people opportunities to see if the work they do is something that drives them; it's the best way to set them up for success. Writing articles, keeping tabs on state and local sources is not meant for everyone, but I knew it was for me from my first days here. I knew it because I would think about work-related topics organically outside of the workday. It's something I get to do, not something I have to do. Once I had an opportunity to contribute to the mission of the Illinois Policy Institute in any capacity, I was determined to make it my full-time job. I knew if I made myself valuable enough and contributed enough to the organization, then it would only make sense to bring me on staff."

Dylan Sharkey is the institute's assistant editor, focusing on the effects of policy decisions in everyday life. He graduated from the University of Iowa with a bachelor's degree in political science and from Northwestern University with a master's in public policy and administration.



LARRY HAN

"During my time at the institute, I was able to work with an excellent group of people on research that contributed to meaningful change for a lot of Illinois residents. I not only discovered and made inroads for important policy reforms, but also discovered and strengthened my personal values."

Larry Han was a policy intern at the Illinois Policy Institute, writing and conducting research alongside the policy team. He is currently pursuing a double major in philosophy and political economy at Georgetown University with plans to attend law school after graduation.



CHRIS COFFEY

"Interning at the Illinois Policy Institute has accelerated my personal and professional development more than

I ever could have hoped for. I've improved

my data analysis and research skills by performing such tasks as examining crime statistics and studying legislation. The experience has positioned me well for my future endeavors as a law student and beyond."

Chris Coffey was a policy intern at the institute who now works with the policy team. He graduated with his bachelor's degree in history from the University of Michigan with minors in medieval and early modern studies and public policy. He spent a semester studying abroad at Pembroke College, Cambridge, England, and will be attending Harvard Law School.



MICKY HORSTMAN

"I started working for the Illinois Policy Institute as the media relations intern the summer going into

my junior year in college and remained active for over two years – even during the school year and while enrolled in classes. The institute helped me publish works under my own byline, which allowed me to grow an expansive, professional portfolio. I remained an active intern until graduation, before becoming a full-time employee, and had I not continued on with the institute, I know I would've been a top applicant going into any media, communications or public relations interview. I acquired skills at the institute that are

crucial to being at the forefront of the shifting media landscape. I always felt respected and had my voice heard while strategizing content ideas for publication. Few internships allow young people to have a serious seat at the table and feel valued while doing so."

Micky Horstman serves as the communications associate for the institute after serving as a communications intern. He graduated from the University of Illinois at Champaign-Urbana with a bachelor's degree in political science and four minors: journalism, public relations, media and legal studies. He wrote for the Daily Illini as an opinion columnist, served as president of Kappa Alpha Pi pre-law fraternity and choreographed for Illini Student Musicals.



KURTIS KARG

"In a state dominated by one political party, the institute manages to make huge splashes on the state and national level, whether it be re-

search, social media, press

releases, etc. Experiencing firsthand how a team shares common goals and a collective drive towards an overall mission and manages to significantly raise awareness was something I definitely learned from. More than anything, I learned that the work of a non-profit that dives deep into issues that often get little attention can uncover huge findings that can benefit people all over the country."

Kurtis Karg was an editorial intern at the institute. He grew up in Glen Ellyn, Illinois, and graduated from Indiana University, where he received a bachelor's degree in journalism, with a specific focus on public policy and politics. He is currently a graduate student in public policy at Northwestern University.



PATRICK ANDRIESEN

"My internship with the Illinois Policy Institute helped me find my passion and jump-

start my professional career through unparalleled exposure to policy makers, thought leaders and cutting-edge policy research. The individualized projects and trainings throughout the program gave me the opportunity to develop and refine the writing, analytical and investigative techniques I leverage in my work today."

Patrick Andriesen is a writer with the institute. He focuses on investigating the outcomes of public policy on Illinoisans and creating content that considers free-market solutions in the context of city and statewide legislation. He is a graduate of Indiana University's Kelley School of Business with dual bachelor's degrees in business analytics and marketing.



ELLIOT PARRISH

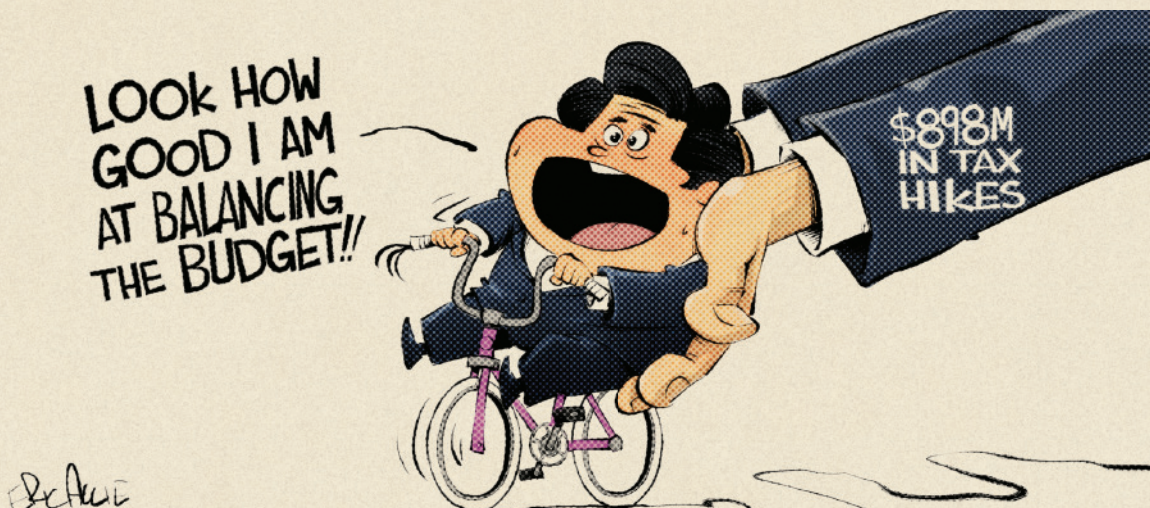
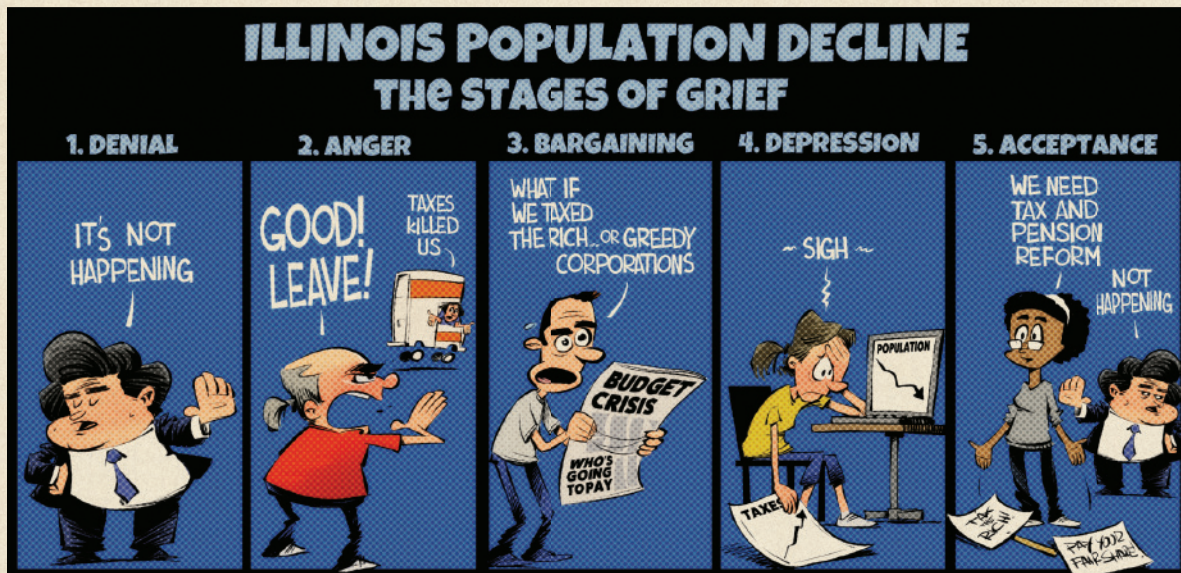
"I had some experience writing press releases before joining the institute, and I knew the basics,

but I learned so much more while at the institute. I learned that a good press release has clear takeaways and isn't bogged down in technical language. Most importantly, they leave journalists curious, wanting to reach out and learn more.

I also learned how crucial the review process is to a good press release. Following the process has taught me many best practices to boost accuracy and chase perfection – all of which I'll keep in mind during my future work."

Elliot Parrish is a graduate student of political communications at American University in Washington, D.C. He earned his bachelor's degree in interdisciplinary studies in communications, legal institutions, economics and government. His previous professional experiences include internships in the Chicago mayor's office, the Chicago Metropolitan Agency for Planning, the American Lung Association and the Foundation for Defense of Democracies.

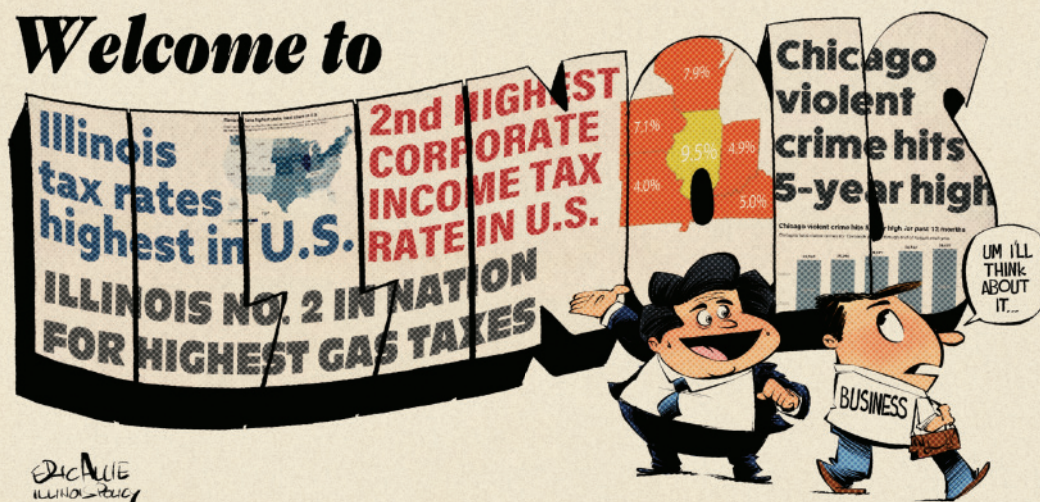
SEEING THE HUMOR



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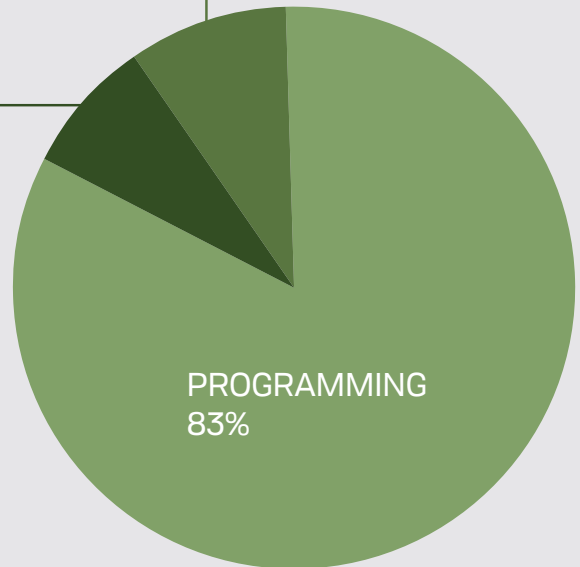
FINANCES

ILLINOIS POLICY INSTITUTE EXPENSES

**TOTAL:
\$7,262,000**

DEVELOPMENT
9%

ADMINISTRATIVE
8%

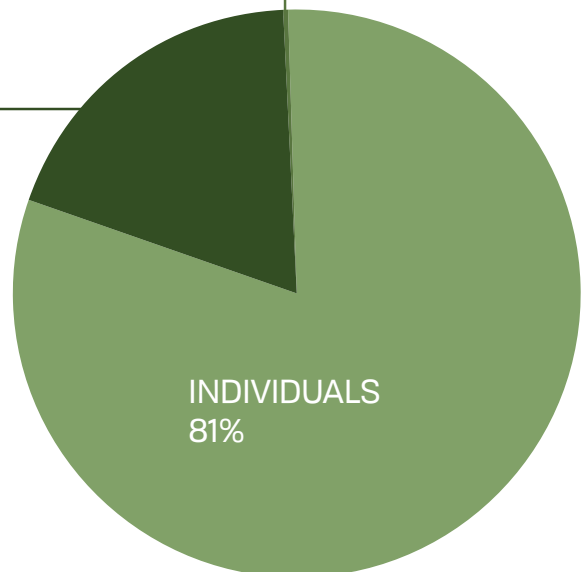


ILLINOIS POLICY INSTITUTE REVENUE

**TOTAL:
\$8,071,000**

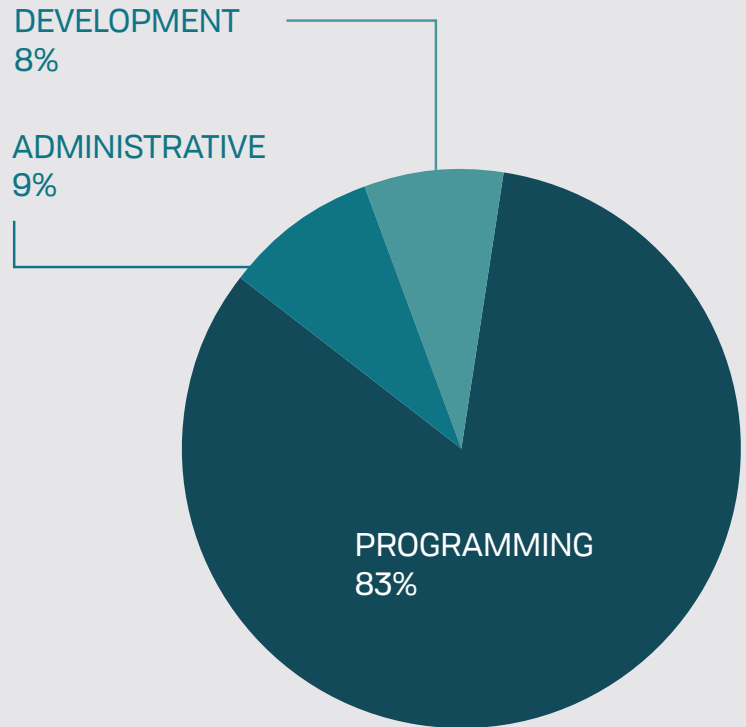
OTHER
0.5%

FOUNDATIONS
19%



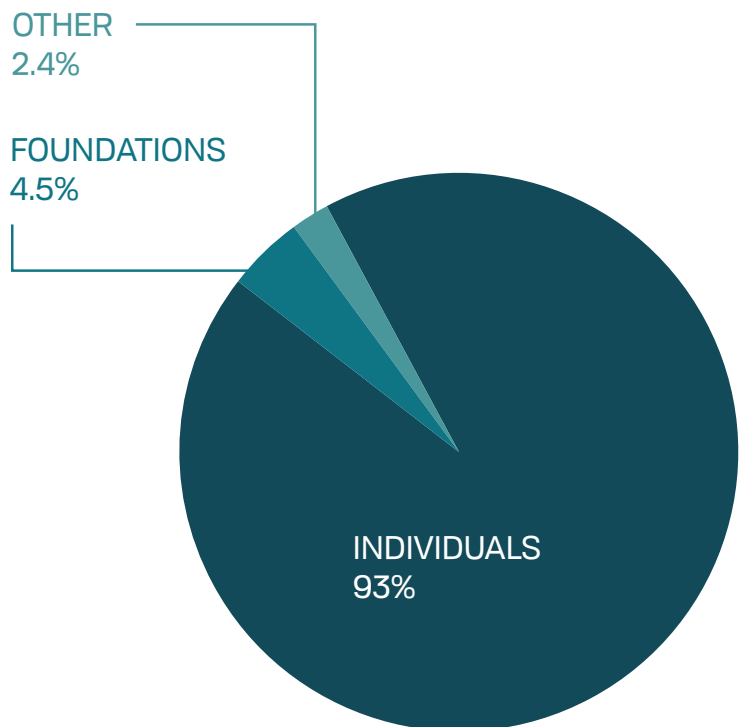
**ILLINOIS
POLICY
EXPENSES**

**TOTAL:
\$3,369,000**



**ILLINOIS
POLICY
REVENUE**

**TOTAL:
\$3,160,000**



OUR LEADERS



JOHN TILLMAN

Chairman

John Tillman is one of the nation's most prominent leaders in the free-market, public-policy arena. He is CEO of the American Culture Project, an organization that attracts, educates and mobilizes independent voters around the ideas of freedom and opportunity. Tillman is best known for building the Illinois Policy Institute, which he currently chairs, into one of the most influential state-based think tanks in the country.

While leading the institute, he co-founded and served as chairman of the Liberty Justice Center, which won the precedent-setting *Janus v. AFSCME* case before the U.S. Supreme Court in 2018.

Tillman serves as chairman of the Franklin News Foundation. Their newswire service, *The Center Square*, is republished in hundreds of newspapers throughout the country and has a daily readership of 2.2 million. Tillman is also the co-founder and chairman of *Iron Light*, a full-service, for-profit digital marketing agency, which does work for more than 75 nonprofits across the conservative public policy space.



MATT PAPROCKI

President and CEO

Matt Paprocki is president and CEO of the Illinois Policy Institute. He lives in Chicago with his wife, Anna, and their daughter, Fiona, and son, Rocky. Paprocki earned a degree in business administration from the University of Notre Dame.

Paprocki is an appointed member of the U.S. Commission on Civil Rights Illinois Advisory Committee. In addition to leading the Illinois Policy Institute, Paprocki is also the chairman of the Illinois Policy PAC, an advocacy group that gives taxpayers a stronger voice in Springfield. He has consulted for nonprofits around the country, advising leaders on how to grow, recruit talent and work strategically. He started his career as a legislative staffer in Springfield, where he focused on budget and pension issues. Several decades later, these issues remain top of mind for Paprocki, who is committed to solving Illinois' biggest policy crises.



AMY KORTE

Executive vice president

Amy Korte is the executive vice president of the Illinois Policy Institute. She lives in Chicago with her husband and three children. During her time at the institute, she has worked as an editor, led the policy team, and researched and written on topics such as property taxes, education opportunity, and issues affecting jobs and growth in Illinois.

Prior to joining the institute, Korte worked for several years as a bankruptcy attorney at a major law firm in Chicago.

Amy Korte earned her bachelor's degree from the College of William and Mary and her law degree from Washington University.

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CLOSING REMARKS

2024 was a landmark year for us. We played a crucial role in stopping bad policies before their damage could be done and we launched bold initiatives with innovative reforms whose impact will resound through coming years and serve as an example for others. We mobilized members of our audience to make their voices heard and we helped common sense prevail over business as usual, even where the odds seemed against it.

We're proud of what we've accomplished, and we know our success would not be possible without the support of partnering foundations, individual donors and 1818 Legacy Society members standing with us.

Together, we will continue to put forward policies that promote freedom and promise greater prosperity for everyone in Illinois. We know that removing barriers and unleashing the free market go hand in hand; this is especially true in Illinois – a state sorely in need of a spirited revival of the American Dream.

Giving to the Illinois Policy Institute is investing in the future of Illinois. Our mission is to ensure the work you invest in today delivers liberty and prosperity for generations to come.

Our work goes forward regardless of who is in office and what is happening in Springfield. We are committed to stay and fight for limits on government and the expansion of liberty. We recognize the challenges we face, but with the support of our many partners we're in a position to lead the fight in Springfield and to expand our message to cities and townships throughout Illinois.

**Yours truly,
the Illinois Policy Institute**





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