

# Illinois Insights Review

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## **Executive Summary**

In 2021, we spoke with 33 state and local policymakers across Illinois to understand the top issues facing the state and the type of engagement they want to see from the private sector on those issues. Policymakers highlighted the economy, the environment, and infrastructure as top priorities for Illinois.

#### The Economy

As Illinois looks to recover from COVID and encourage economic growth, top economic priorities in the state include labor (e.g., safe working conditions), supply chain disruptions, unemployment rates, and pensions.

#### **The Environment & Infrastructure**

Environmental and infrastructure priorities are interwoven as the state moves forward to enact the measures laid out in the Climate and Equitable Jobs Act (CEJA). Policymakers want to see a continued commitment to the CEJA in the form of effective green energy policies and equitable access to Illinois' developing green infrastructure.

#### **Corporate Social Responsibility**

Throughout these top issues, policymakers also highlighted the importance of corporate social responsibility and open communication between the public and private sectors.

#### **Top Priorities for Illinois**

"What do you see as the top policy priorities for Illinois in 2021?"



## **Top Issues Explained**



#### Section 1:

## **Economy: How to Promote Economic Growth**

Illinois' economy, especially issues related to the workforce and unemployment, came up more than any other topic in our conversations with Illinois policymakers.

As a result of COVID, key economic issues Illinois policymakers are focused on include (i) **safe work environments** and (ii) **supply chain disruptions**.

Labor Safety and a Safe Work Environment Continues to be a Priority

#### What Policymakers Want To See In Safe Work Environments



#### **Accommodating Hybrid Work Schedules**

"I think the way that companies have kind of evolved into either work remotely or a hybrid work environment. I think there's been a lot of positive benefits for workers and for companies being able to land on their feet like that and adjust in real time."

Legislative Policy Advisor, R



#### **Providing PPE and Vaccines**

"[Manufacturing companies responded to COVID] through testing, vaccination, holding vaccination opportunities in site, providing all of the personal protective equipment that's necessary, flexible schedules. So there might even be reduced production because of the space allowance to minimize virus spread."

Executive Division Director, I



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#### **Open Communication on Safety Measures**

"[Companies should] keep shifting things more remote, **come and talk to us and tell us what you're seeing with your employees, what their work-life balance is like and how we can craft policy** to improve certain types of infrastructure like broadband, to kind of foster the needs of what they're saying."

Legislative Advisor, R



#### The disruption COVID has caused for the nation's supply chain has made it more challenging to acquire goods in a timely and affordable manner.

"I think it opened our eyes to know that we should be able to create more supply in our state and in our country overall...But it is unfortunate to get to that point because I never thought we would be here where we would have to try to be more resourceful with our items, to just have a lack of items that are really needed."

State Representative, D

"The US should've been prepared to buy the basics during a pandemic, right? And we couldn't provide masks and sanitizer, and toilet paper which made no sense... we just thought like, 'There is something broken in our system for us not to be able to provide the basics during a pandemic.'"

Executive Division Chief of Staff, D



## Open communication between the public sector and the private sector is key for addressing the supply chain issues.

"I would say in terms of supply chain issues, **it's good if we can hear from manufacturers or business owners what's going on with them personally**...Sometimes it takes just them reaching out to us to see if there's anything we may be able to push on as well."

Legislative Chief of Staff, D

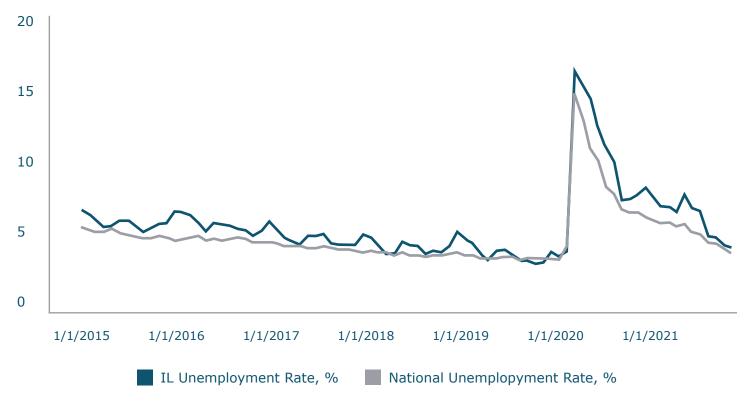
"I do know just from personal experience that supply chain issues or shortages are real issues because I do know that several constituents have talked about how the delivery of supplies and orders have been delayed tremendously...it would be preferable if there was some kind of general report that was provided to us, and that way, you would know what affected you and what would not."

State Representative, D

Similar to other states, Illinois has experienced elevated **unemployment rates** as a result of the pandemic, and is also struggling to address their **pension crisis**.

#### **Illinois Is Struggling with High Unemployment Rates**

Unemployment Rates in IL vs. the U.S.



Source: U.S. Bureau of Labor Statistics

## Continuing to Address Unemployment Is a Top Priority for the State's Economic Recovery and Growth.

"We have a lot of companies that are trying to hire. I know they're having trouble hiring. At this point, we're trying to stimulate the economy."

County Board Member, R

"There's this constant complaint of labor shortages throughout the economy, but at the same time, **unemployment in Illinois is higher than the national average**."

Legislative Analyst, D

## What Policymakers Want to See from Private Organizations to Fight Unemployment

Private organizations can further combat unemployment in Illinois by improving the working environment for their employees and adjusting their hiring methods.

#### **Inclusive Hiring**

#### Training

"They complained about not finding employees. We've tried for years to get them to look at people with disabilities to employ them. And also, we've always talked to companies about training programs, engaging in training programs."

Legislative District Director, D

"I think offering more worker training and better wages would make it more possible for more people to work."

Legislative Analyst, D

"So manufacturing is the kind of thing can start training in high school. that they group And we do have working а on that...They trained people, and they helped fund equipment in the schools to help train the kids."

Legislative District Director, D

#### **The Illinois Pension Crisis is Worsening**

The pension crisis in Illinois is also a major concern policymakers. among Despite spending more per government worker on pensions than any other state, Illinois has a pension shortfall of over \$111 billion, making it the largest in the country. This has led to 19% of the state's budget being dedicated to pensions (compared to an average of 4% in other states). As a result, many state workers are concerned that they won't have a pension waiting for them when they retire.<sup>1</sup>

"The continuing unfunded pension liability, there have been improvements under Governor Pritzker, and I applaud those. But still, it's kind of a time bomb that hasn't been fully figured out."

Municipal Board Member, D

"One of Illinois' big downfalls is we have a lot of outstanding pension obligations. In the 1970s, Illinois had a constitutional rewrite or we drafted a new constitution. **Our predecessor was actually working very closely on ways to reform the pension that would still be constitutional**."

Legislative Chief of Staff, D

"Pensions have been a looming issue for people in Illinois for a long time. We're now getting into the weeds with our budget...Illinois seems to be kicking the can on pensionary forms."

Municipal Council Member, I

#### Section 2:

### **Infrastructure and the Environment**

With the passage of the **Climate and Equitable Jobs Act**, the Illinois state government is now turning towards the implementation of initiatives that will impact the state's energy sector, economy, and infrastructure.

#### The Climate and Equitable Jobs Act Has Passed, and Now Focus Is on Enacting the Bill

The Climate and Equitable Jobs Act (CEJA, or SB2408) became law in September 2021 after extensive deliberation. Its main goal is for Illinois to transition to 100% renewable energy by 2050. The CEJA came up as a top priority for Illinois in our 2020 study, and this year it continues to be relevant as focus shifts towards its enactment and expectations for the future.<sup>2</sup>

#### Policymakers want to see the state government follow through on its commitments to green energy.

"We pointed out in the energy bill that there needs to be focus on reducing emissions. And so the legislation is actually requiring that we have a 45% reduction in emissions by 2045...We need to make sure that we live up to that commitment because just because something is law does not mean that the law is being implemented as you need it to."

State Representative, D

## Public-private cooperation will be key for promoting green initiatives.

"[I think companies can] work with some of the smaller environmental groups that are coming to state lawmakers and really find out what it is that their goal is and what they think the future looks like, so they can more effectively plan for what their company and their existence is like down the road."

Legislative Advisor, R

"This last bill that was passed was a result of advocates, communities, labor, and big companies coming together and seeing a problem and trying to fix it. I think **that kind of is at the root of the solution, everybody working together and not pretending that,** 'This is a problem for the other guy.' It's a problem for everybody."

Legislative Chief of Staff, D

2. <u>https://www.bomachicago.org/assets/pdf/</u> CEJA+2021+Summary+and+Overview/

## Policymakers see opportunities for green initiatives to improve the state's economy and infrastructure.

"One of our schools put in solar panels and **that pays for itself in twenty years**, **so why are we not looking to the future? And the financial savings is quite large**."

Legislative District Director, D

"So **our goal is to attract more businesses, more companies, manufacturing companies that are focusing only on electric vehicles to have a home here in Illinois**. To open their manufacturing companies, to bring the battery plants here as well. Create more revenue not only for us but also have an incentive for families to buy an electric vehicle and be a bit more energy friendly."

State Representative, D

#### Policymakers also note the importance of access, safety, and affordability.

"What I'm more concerned about is water quality. We have our own well here, and it's fine. **But I know** that some of the suburbs are trying to get their water from other sources, and it's going to cost them millions of dollars to do that."

County Boardmember, R

"We hope to be renewable energy all around, and that's why we're giving us a little bit of time. **Ten years to at least figure out where we can get our energy, how can we make sure it's safe, reliable, and can cover everybody**. But also making sure that the items that we already have such as solar and wind are being supported."

State Representative, D

#### Section 3:

## What Policymakers Want To See From The Private Sector

#### Communication

"I try to **go out and meet the managers** or the owners of companies **in my district so that we can have communication**... I would hope that they would reach out and ask for a meeting or that they would reach out to have that conversation about just what they do and how it's of benefit to the community and how they give back to the community."

State Representative, D



#### Collaboration

"Government and private sector and public interest, environmental, economic, social, **you've got to collaborate to find the intersection where you all work together to voice themselves**. There just needs to be more of that collaboration going on."

Executive Manager, I



#### **Community Development**

"It's one of the things that I think is missing, having more companies invested in the community... Community development is critical so I know historically as a state and currently the state has been trying to work with these companies to get them to be more engaged in the community."

Executive Chief of Staff, D

#### **Diverse Hiring**

"One of the things many of our board members were concerned about is the diverse hiring practices. [This national manufacturer] is already showing to be good community partners with us. They want to hire 5,000 people in various jobs. They're already working with our community with activities."

County Boardmember, R



#### **Environmental Responsibility**

"We have seen instances where oil and pipeline companies have recognized that **it's better to be prepared to deal with a spill than try to just merely walk away from the spill**...We had a couple instances where they've been responsive. Where there were some impacts, they addressed the impacts."

Executive Manager, I

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### **About Ballast Research**

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This deep-dive, customized research is invaluable for understanding what policymakers think of us and need from us. The insights are another important tool we use to inform our thinking on how to engage, and the data illuminates where we can do better.

Head of US Communications, Fortune 10 Company

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