THE ILLINOIS POLICY INSTITUTE

The Illinois Policy Institute is a nonpartisan research organization dedicated to supporting free market principles and liberty-based public policy initiatives for a better Illinois. As a leading voice for economic liberty and government accountability, we engage policy makers, opinion leaders, and citizens on the state and local level. Please visit our website at www.illinoispolicy.org.

Chicago Office
190 S. LaSalle Street
Suite 2130
Chicago, IL 60603
Phone: 312-346-5700
Fax: 312-346-5755

Springfield Office
802 South 2nd Street
2nd Floor
Springfield, IL 62704
Phone: 217.528.8800
Fax: 217.528.8808

CITIZENS AGAINST GOVERNMENT WASTE

Citizens Against Government Waste (CAGW) is a private, nonprofit, nonpartisan organization dedicated to educating the American public about waste, mismanagement, and inefficiency in government.

CAGW was founded in 1984 by the late industrialist J. Peter Grace and nationally-syndicated columnist Jack Anderson to build support for implementation of the Grace Commission recommendations and other waste-cutting proposals. Since its inception, CAGW has been at the forefront of the fight for efficiency, economy, and accountability in government. CAGW has more than one million members and supporters nationwide. In a little over two decades, has helped save taxpayers $1.08 trillion through the implementation of Grace Commission findings and other recommendations.

CAGW’s official newsletter is Government WasteWatch, and the group produces special reports and monographs examining government waste and what citizens can do to stop it. CAGW is classified as a Section 501(c)(3) organization under the Internal Revenue Code of 1954 and is recognized as a publicly-supported organization described in Section 509(a)(1) and 170(b)(A)(vi) of the code. Individuals, corporations, companies, associations, and foundations are eligible to support the work of CAGW through tax-deductible gifts.

1301 Pennsylvania Avenue, NW
Suite 1075
Washington, DC 20004
Phone: (202) 467-5300
http://www.cagw.org
Introduction

The State of Illinois faces a historic budget crisis, caused by years of lawmakers’ fiscal profligacy. Chronic overspending on non-essential functions has stretched the state’s finances to the breaking point, a problem exacerbated by the recent economic downturn and falling tax revenue. Historically, legislators addressed such shortfalls by issuing bonds without building in corresponding spending restraint mechanisms. Such actions are untenable; the state cannot attempt to fund everything it wants today while passing the costs on to future generations. Future bond initiatives must be focused and have a clear repayment plan in order to avoid burdening future generations of Illinoisans with unprecedented debt.

Rather than addressing their spending addiction, many elected officials insist that the only way to solve the problem that they created is through raising taxes, further penalizing citizens. The federal government’s stimulus funds, intended to shore up the state’s faltering economy, merely delayed Illinois’s much-needed budget reforms. The state must pare back its portfolio so that it can better fulfill its basic obligations to its citizens. Every day, Illinoisans make hard choices about what to spend their money on, foregoing what they want for what they need because of budgetary constraints. Lawmakers should do the same. The state owes its residents the courtesy of responsible spending.

The 2010 Illinois Piglet Book debunks the myth that Springfield is cash-strapped and has no choice but to either raise taxes or cut essential programs. Governor Pat Quinn has repeatedly forecast doomsday scenarios that if the state’s budget crisis were to be solved through cuts alone, 34,000 teachers would be laid off, 800,000 Illinoisans would lose health coverage, a veterans home would close, and 17,000 students would not receive college grants. Such predictions are both false and highly irresponsible. Cutting non-essential spending is an easy way to get the state back on track, and can save millions of dollars without threatening the job of a single teacher or state police officer. For too long, politicians have doled out favors to friends to buy votes with the tax dollars of hardworking constituents, and this practice must end.

This study combs through the 2010 budget, identifying $350 million in savings.

After looking at the state of the economy, the $14.5 billion state education budget is examined, followed by the $24.7 billion health and human services budget. Natural resources and agriculture, the arts council, and economic development are also dissected.

The State of the State

Without a doubt, Illinois’s finances are in deep trouble. However, this was not always the case. In fiscal year 2008, the state’s general fund revenues grew 3.6 percent to $29.7 billion, their highest level ever. Unfortunately, the state did not plan for rainy days to come, and spent this windfall (and more) at a breakneck pace. The 2009 “Fiscal Survey of States,” published by the National Association of State Budget Officers (NASBO), noted that between 2008 and 2010 Illinois’s revenue from sales tax collections dropped from $7.2 billion to $6.4 billion; personal income tax collections decreased from $10.3 billion to $9.2 billion; and corporate income tax collections fell from $1.9 billion to $1.1 billion. Those numbers alone should have been a warning signal to lawmakers that it was time to tighten belts – yet they did no such thing.

In fiscal year 2008, base spending increased 6.6 percent, and in fiscal year 2009, spending increased 2.8 percent, despite such dire shortfalls. At the end of fiscal year 2009, Illinois had a backlog of $3.9 billion in unpaid bills. The Center on Budget and Policy Priorities projects that the state’s mid-year deficit for fiscal year 2010 will be $5.0 billion, or 14.3 percent of total general fund revenue. By the state’s own admission, the combined budget gap for 2009 and 2010 is $11.5 billion.

Bizarrely, the state refuses to address its underlying spending problem, knowing full well that it does not have the money to pay for its current budget, much less its outstanding debt. The governor’s original 2010 budget called for $31.5 billion in general fund spending, despite the well-acknowledged fact that the state would only take in $27 billion in revenue. In
addition, the state's employment rolls are higher than ever, according to NASBO. In 2008 the state had 54,617 full-time positions, which increased by 2 percent in 2010 to 55,655.9

Such irresponsibility has been documented in numerous studies from across the political spectrum. The American Legislative Exchange Council's (ALEC) 2009 study "Rich State, Poor State" ranked Illinois number 44 (out of 50) on the economic outlook ladder, down from number 42 in 2008. ALEC's ranking is based on equal weighting of 15 variables: highest marginal personal income tax rate, highest marginal corporate income tax rate, progressivity of the personal income tax system, property tax burden, sales tax burden, tax burden from all remaining taxes, existence of an estate tax/inheritance tax, recently legislated tax policy changes, debt service as share of tax revenue, public employees per 1,000 residents, quality of state legal system, state minimum wage, workers' compensation costs, right-to-work laws, and tax/expenditure limit.10 Neighboring states fared much better – Wisconsin ranked number 27, Iowa ranked number 35, Indiana ranked number 17, and Missouri ranked number 23. Illinois's low ranking does not bode well if the state hopes to remain competitive in the Great Lakes region, and attract business in the future.

In the same ALEC index, the state's economic performance ranks number 48, again besting only Ohio (number 49) and Michigan (number 50).11 This ranking, based upon three equally weighted variables – personal income per capita, absolute domestic migration, and employment – are considered performance variables that are highly influenced by state policy, indicating that Illinois's policies to date have been nothing short of disastrous.

The Tax Foundation's annual analysis of state tax burdens, "2010 State Business Tax Climate Index," ranks Illinois at number 30 nationally – a tumble from its 2009 ranking at number 23.12 The index compares the states in five areas of taxation that impact business: corporate taxes, individual income taxes, sales taxes, unemployment insurance taxes, and property taxes. Illinois fares best in the individual income tax category, ranking number 10; unfortunately, it ranks number 39 in the property tax category, number 41 in the sales tax category, and number 46 in the unemployment insurance category.

The state's unfriendly business climate has negatively affected the economic prospects for Illinois residents. The Pew Research Center's report, "Who Moves? Who Stays Put? Where's Home?" concludes that "the most frequently cited major reason that movers give for choosing their current community is job or business opportunities (44 percent)." As the state becomes less competitive and less attractive to businesses looking for a home base, it means people are less inclined to move to, or stay in, Illinois. United Van Lines' data shows that 57.2 percent of moves related to Illinois were outbound – making the state the sixth-highest outbound state of a national cumulative migration index.14

As Sam Batkins of the National Taxpayers Union wrote, "After the 1950 Census Illinois had a 25-member Congressional delegation and 5.7 percent of the U.S. population. Today, the state can claim just 19 Congresspersons and 4.4 percent of the U.S. population."15 The U.S. Census estimates that from April 1, 2000 through July 1, 2008, the state’s population has grown at a mere 3.9 percent, while the nation's overall population has grown 8 percent.16 Census results for 2010 will indicate whether the state will lose further seats.

According to Illinois Comptroller Daniel Hynes, fiscal year 2009 included appropriations of $61.3 billion,17 while final appropriations for fiscal year 2010 have not yet been released. With a U.S. Census Bureau population estimate of 12,901,563 for Illinois in 2008,18 that means that the state spent $4,753.84 per man, woman, and child. That also equates to the state spending a staggering $1,944.82 per second.19 As of 2007 (the most recently available data), the median family income in Illinois was $54,141; that much is spent by the state every 27.84 seconds. The personal income per capita in Illinois in 2008 inflation-adjusted dollars was $28,820,20 an amount spent by the state every 14.82 seconds.

The state's revenues may be down relative to prior years, but it is still collecting enough money to provide needed services to Illinoisans. Governor Pat Quinn has asserted that fiscal year 2010 revenues are forecast to be $27 billion, approximately the same amount as in 2004.21 Despite lower revenue in 2010 than in recent years, it appears that politicians' wish lists have just gotten longer. The state needs to stick to the few duties it has under the state constitution and leave the rest to
individuals and local governments. Officials in Springfield have shown the people of Illinois time and time again that they cannot be trusted with the people's money; the time has come for fiscal discipline.

**Reading, Writing, and Rip-Offs: Education Spending in Illinois**

After health and human services, education is the state's second largest spending appropriation—in fiscal year 2010, education appropriations for Illinois total $14.5 billion, or 27.3 percent of all appropriated funds. The state also spent $14.5 billion on education in fiscal year 2009, an amount that comptroller Daniel W. Hynes acknowledged was a 5 percent increase over fiscal year 2008, both overall and for the State Board of Education. Year after year, additional funds are poured into the state's education system. Unfortunately, the results are always less than stellar.

In its 2008 “Report Card on American Education,” ALEC ranked the state of Illinois 31 out of 50 for academic achievement, based on average test scores on the SAT in 2008, the ACT in 2008, and the National Assessment of Educational Progress (NAEP) 8th grade mathematics and reading tests in 2007. In the 2006-2007 school year, Illinois fared poorly in its pupil-teacher ratio, ranking 38 out of 50, but was in 5th place in terms of average salary of instructional staff.

The state's NAEP results remain incredibly discouraging. On the mathematics test in 2009, only 38 percent of fourth graders and 33 percent of eighth graders were proficient. On the reading test in 2007 (the most recently available data), only 32 percent of fourth graders and 30 percent of eighth graders were proficient. State Superintendent of Education Christopher A. Koch was forced to admit the state's shortcomings vis-à-vis the federal No Child Left Behind Act in an Illinois State Board of Education press release, stating, “Overall, our statewide averages continue to increase incrementally for all tests. But even though we are seeing gains, the number of schools making Adequate Yearly Progress (AYP) continues to decline.”

Despite Governor Quinn's threats that cuts to education would result in laying off 34,000 teachers, a closer examination of the state's education budget reveals several programs that could be trimmed to save money before a single teacher would be forced from the classroom.

**3-D Education…Dumb, Dumber, and Dumbest**

The 2008 *Illinois Piglet Book* highlighted the Classroom Cubed Initiative and called for its elimination. The good news is that the program is only receiving $1 million in fiscal year 2010, which is being done through a special reallocation by Gov. Quinn.

According to the website of JTM Concepts, the program's creators, “Classroom3® promotes the use of 3-D applications to enhance the learning experience by providing the students with a clear and complete visualization of difficult concepts/subject matter. The instructors/teachers benefit by having access to a technologically advanced, fully-interactive, class enhancement, which will ‘grab and retain’ the students’ attention, creating a more conducive learning environment for the visual or right-brain dominant learners. At the same time, the 3-D models solidify the concepts that are usually difficult to grasp by all learners.” The picture to the right really demonstrates the concept of symmetry much better than boring old 2-D.
The future of the Classroom Cubed Initiative was discussed at an Illinois State Board of Education (ISBE) meeting on December 16, 2009. The meeting minutes indicate that to date $6 million had been spent on this initiative since fiscal year 2006, used solely in conjunction with the Rock Island School District. Development costs per module total $104,166. It remains unclear whether or not this money has been well spent, because a $20,000 evaluation report conducted by Western Illinois University (as referenced in the IBSE minutes) stated that “the evaluation was limited in scope and does not provide adequate information regarding the effectiveness of the modules.”

Take a Look…It’s in a Book…

Reading is certainly an important skill set. To this end, the state is paying $575,777 in 2010 for library books, 94.8 percent of which, or $545,984, goes to West Publishing Corporation. West publishes law books through a contract with the Department of Corrections. At the other end of the spectrum, the University of Virginia is receiving $160 for library books on behalf of the Historic Preservation Agency; apparently, there is no institution of higher learning in Illinois that can do that work.

Local libraries earn quite a windfall too, as 80 separate districts are receiving grants totaling $1,017,587. Although some titles may be needed, buying new books is not the most cost-effective way to obtain literature for libraries. Numerous book donation and recycling programs exist, and should be implemented by the state as a cost-saving measure. Local library districts should be self-sufficient and not rely on state aid.

University of Pork

State universities in Illinois sure rake in the big bucks. The money paid to these three universities was not included in the total amount of “pork” identified in the Piglet Book, but will hopefully spark further discussions about how much is paid to higher education institutions in Illinois, and how much of that money is superfluous.

Far and away, the big winner is the University of Illinois (U of I) system, which will receive $681,155,900 in fiscal year 2010 for “personal service and related,” and $62,263,800 for “other operations.” Despite this flood of funds, however, U of I’s finances are in dire shape. The U of I faces a revenue gap of up to $60 million in fiscal year 2011. The Chronicle of Higher Education ranks the University of Illinois’s Urbana-Champaign campus the fourteenth most expensive tuition in the country among four-year or above public universities, clocking in at $12,524 for in-state tuition and fees. The university blames declining state support and the phase-out of federal stimulus funds for its long-term problems. In the short term, U of I is waiting for $436 million owed by the state and will be forcing employees to take furloughs in order to save $17 million in 2010. Of course, this is a drop in the bucket for an organization that spends $11 million per day. Perhaps, like the state itself, it is time for U of I to reevaluate its spending commitments.

In second place is Southern Illinois University (SIU), which will receive $214,619,600 in fiscal year 2010 for “personal services & related” and $18,947,400 for “other operations.” Like U of I, the state has failed to fully fund SIU’s budget, causing the university significant financial hardship and fueling speculation over a temporary shutdown in the spring. To be sure, SIU is in a difficult position; but like the state, it should have budgeted more wisely and saved for a rainy day, so that a temporary cash flow problem would not lead to such severe consequences.

In third place is Northern Illinois University (NIU), which will receive $97,224,700 in fiscal year 2010 for “personal services & related” and $10,206,400 for “other operations.” NIU is also waiting for money promised from the state, in this case, $62 million. Fortunately, it is in a far less precarious fiscal position than the other universities, and has only announced minor policy changes.
Despite these hardships, the state of Illinois manages to pay a fair amount of money to higher education institutions for ongoing employee education… many of which are out-of-state. For example, for “employee tuition and fees” in fiscal year 2010:

- Mid-Continental University of Kentucky is receiving $84,690;41
- Ashford University of Iowa is receiving $45,162;42
- The University of Colorado is receiving $14,410;43
- The Grand Rapids Educational Center is receiving $13,403;44 and,
- Indiana University is receiving $790.45

It is not clear how state employees attend classes at these distant educational institutions. Even if these classes were taken online, they should not be paid for with taxpayer dollars. Overall, the state has paid $1,049,639 from August 1, 2009 through January 7, 2010 in employee tuition and fees. If state employees are interested in taking classes to burnish their resumes or to bump themselves up to the next pay grade, it should be incumbent upon that individual to decide whether the long-term investment in additional schooling is worth the money. Many private employers subsidize education, but not with taxpayer dollars.

**Beauty School Dropout**

The state pays for more than just basic education; it also pays for specialty schools. Cain’s Barber College, which provides “an in-depth knowledge of the theory of barbering,” is receiving $3,807 from a higher education grant,46 and the Cannella School of Hair Design is receiving $2,500.47 If too much spending makes anyone stressed out, don’t worry: Cortiva Education Midwest, a massage therapy school, is receiving $2,973,48 so their students should be able to work those knots right out.

**Nurses are I.V. Leaguers**

The state is funding nurses’ tuition for $75,000,49 and nurse educator fellowships for $150,000.50 There is evidence that aspiring nurses are not in dire need of financial assistance. According to the Bureau of Labor Statistics’ Occupational Employment Statistics, the median salary for nurses in May 2008 was $62,450,51 well above the 2008 median family income in Illinois of $54,141. Tax dollars of less well-off Illinoisans should not be funding education for people who will go on to make far more money than they ever will.

Additionally, nurses’ employment overall is quite secure – meaning that students needing to take out loans to attend school should be well able to take out private loans and pay them back. The Bureau of Labor Statistics’ Occupational Outlook Handbook, 2010, indicates the job outlook for nurses is excellent: “Employment of RNs is expected to grow much faster than the average and, because the occupation is very large, 581,500 new jobs will result, among the largest number of new jobs for any occupation. Additionally, hundreds of thousands of job openings will result from the need to replace experienced nurses who leave the occupation… Employment of registered nurses is expected to grow by 22 percent from 2008 to 2018, much faster than the average for all occupations.”52
Diversified Faculty

The state is paying $1.4 million for the “Diversifying Higher Ed Faculty” program, which did not exist in 2009. The governor initially requested $2.8 million, but later revised that figure. The purpose of the initiative is to increase the number of “traditionally underrepresented minority groups” in faculty and staff positions in Illinois institutions of higher education and higher education governing boards. Although diversity is a laudable goal, it should not be a concern to the state when it is in such dire financial straits – and certainly not for $1.4 million.

Perhaps the problem would be better addressed through preparing the state’s students in their formative years so they are prepared to enter academia, rather than through targeted grants to hire minority professors based solely on their race. For the 2009 NAEP mathematics test for eighth graders, the average Asian student score was 304, while the average black student score was 255, the average Hispanic student score was 269, and the average white student score was 294. For the 2007 NAEP reading test for eighth graders, the average Asian student score was 277, while the average black student score was 244, the average Hispanic student score was 250, and white student score was 271. The state’s current education funding scheme is failing many children, and should be drastically altered. A more cost-effective way to address this gap is to give families a choice of where to send their children, rather than continuing to lock them in to underperforming institutions. Allowing funding to follow students, and not automatically go to schools, will create an incentive for schools to achieve greatness and serve families, not teachers unions.

Dr. Quinn, Medicine… Governor?

Health and human services is the single largest appropriated function in the 2010 Illinois budget, totaling $24.7 billion, or 46.6 percent of appropriations made by the state across all funds. For all of that money, the state must have some pretty spectacular health outcomes.

Not exactly. According to United Health Foundation’s 2009 study “America’s Health Rankings,” Illinois received a ranking of 29 out of 50, the same as in 2008. The state’s strengths include “a low occupational fatalities rate at 3.8 deaths per 100,000 workers, ready availability of primary care physicians with 129.1 primary care physicians per 100,000 population and a high rate of high school graduation with 79.7 percent of incoming ninth graders who graduate within four years.” The state’s weaknesses include “a high prevalence of binge drinking at 19.4 percent of the population, a high rate of preventable hospitalizations with 85.8 discharges per 1,000 Medicare enrollees, high levels of air pollution at 13.2 micrograms of fine particulate per cubic meter and a high violent crime rate at 525 offenses per 100,000 population. Illinois ranks lower for determinants than for health outcomes, indicating that overall healthiness may decline over time.”

At least in the area of policy, the state is looking up from a few years ago. Gov. Quinn seems to have backed off of his predecessor’s ill-fated “Illinois Covered” plan, yet residents must pay the price for the coiffed one’s folly to the tune of $1.9 million in legal fees in the case of Caro v. Blagojevich. The premise of the case, filed by attorney Richard P. Caro, was to “Enjoin the Unconstitutional and Unlawful Creation & Expansion of Health Benefits Programs by the Executive.” As Mr. Caro’s website states, “Since only the Legislature may amend a statute, or broaden coverage, the new programs are violations of the Legislature’s exclusive constitutional right to create a new benefits program or expand an existing one. Also it is not for the Governor or any agency to decide how much to spend on the expanded coverage. That’s a matter for the Legislature.” The suit has ended, but the bills remain, as a reminder of the constitutional framework that was so nearly lost.

Ethnic Services

The state should be colorblind, treating all of its citizens equally. Unfortunately, in allocating tax dollars to specific ethnic service organizations, it runs the risk of looking, in the words of George Orwell’s Animal Farm, like “some are more equal
than others.” Certainly, many of these organizations are worthy causes; yet the unequal distribution of funds leaves some groups flush, and others underserved. Some ethnic groups should not receive more state money because they are better at applying for state grants. Organizations should be self-sufficient, raising money from their communities in proportion to their need.

Some organizations that are receiving aid from the state in 2010 include:

- $3,544,368 to Jewish Child & Family Services;
- $2,662,579 to the Chinese American Service League;
- $1,189,387 to the Asian Human Services of Chicago;
- $816,428 to the Chinese Mutual Aid Association;
- $122,060 to the Asian Health Coalition of Illinois;
- $53,309 to Korean American Community Services;
- $27,498 to the American Hispanic Wellness Services;
- $20,006 to the Pui Tak Center in Chicago;
- $19,562 to the American Indian Health Service;
- $15,000 to the American Asian Institute;
- $3,600 to Arab-American Family Services; and
- $909 to the American Muslim Mission Center.

**Bad Medicine**

Each year, the state of Illinois distributes a considerable amount of money to various disease research groups, foundations, and patient advocacy organizations. Although such contributions are well-intentioned, and while many recipients are worthy causes, lawmakers and bureaucrats do not possess the knowledge to fairly allocate taxpayer funds to the best possible recipients. There is certainly no need to provide any support for national organizations, or their state chapters, when such groups have tens of millions of dollars in assets and receive funding from the federal government and private donations. In 2010, the state of Illinois is spending:

- $3,150,000 for minority AIDS/ HIV prevention & outreach;
- $979,229 to the AIDS Foundation of Chicago, whose 2009 operating budget was $18.7 million;
- $355,000 for the AIDS Hotline;
- $200,000 to AIDS Care;
- $1,994,000 for women’s “health promotion” programs;
- $81,201,837 to Easter Seals Joliet Region;
- $319,427 to Easter Seals DuPage;
- $47,930 to Easter Seals Central Illinois;
- $1.2 million for a prostate cancer public awareness initiative;
- $297,000 for prostate cancer screening and awareness;
- $1 million for ALS (Lou Gehrig’s Disease);
- $73,992 to the American Lung Association of Illinois;
- $21,000 to the American Diabetes Association, which had a fund balance of $76.9 million as of December 31, 2007;
- $17,700 to the Juvenile Diabetes Research Foundation, which had a fund balance of $49.5 million as of June 30, 2008; and
- $12,600 to the National Kidney Foundation, which had net assets of $18 million as of June 30, 2008.

If Illinois residents feel inclined to make charitable contributions to causes, they should be free to give to those that are of personal interest and concern. As it stands, the Illinois government, often steered by well-connected lobbying teams, is picking winners and losers over a spectrum of causes – many of which are already generously funded.
Don’t Worry, Big Brother Will Take Care of You

Get a Job

Everyone knows that jobs are in short supply these days. Rather than focusing on freeing up businesses and families from higher taxes, the Department of Human Services (DHS) is spending $17,691,700 for “employability development.” As of December 2009, the unemployment rate in Illinois was 11.1 percent, which works out to approximately 1.4 million people. There is no information available on the DHS page describing how people are chosen to receive this “employability development” training, and whether it was successful.

That’s not the only jobs program in town; the Department of Commerce and Economic Opportunity (DCEO) is in on the action as well. The “Illinois Guaranteed Job Opportunity Program” is administered through the African American Family Commission, and is receiving $250,000 in fiscal year 2010. Its website states that “The Illinois African-American Family Commission is a catalyst that facilitates partnerships between governments and communities to ensure a safe, healthy and secure environment for African-American children and families, throughout the state of Illinois.”

Unfortunately, finding information about this jobs program from the commission is difficult, as there is nothing about it on their website. In fact, there’s very little on their site at all, since the most recent newsletter is from 2005. In addition, the last available annual report is from 2006, and the most recent research linked to is from 2006. On the bright side, there is a schedule of commission meetings from 2009, so they are apparently still in operation. However, no board members are listed, so it’s hard to tell who was there. Alas, nothing is on the DCEO website about the “Guaranteed Job Opportunity Program” either.

In addition to job seekers, employers are also getting assistance. In fiscal year 2010, the DCEO is receiving $6,250,000 for the “Employer Training and Investment Program.” According to the DCEO website, “The Employer Training Investment Program (ETIP) supports Illinois workers’ efforts to upgrade their skills in order to remain current in new technologies and business practices, enabling companies to remain competitive, expand into new markets and introduce more efficient technologies into their operations.” Not a bad deal, considering that companies can receive up to 50 percent of the cost of training their employees. Unfortunately, there are scant guidelines on eligibility, no deadlines, and no list of prior grant recipients. While the process might be difficult to navigate, taxpayers can be sure the money will still be spent.

I Love the Flowers…I Love the Rolling Hills…

Illinois legislators repeatedly proclaim their concern for the environment, but it looks like the green that they’re most interested in is what’s in taxpayers’ wallets. In 2010, the state is lavishing money on conservation, and similar to the medical research grants, some of the funds are going to national organizations that already have tens of millions of dollars:

- $104,271 for The Nature Conservancy, which had total net assets of $4.6 billion as of June 30, 2009;
- $78,066 for Quail Unlimited, and $706 for Tri-County Quail Unlimited, which is “dedicated to the wise use and management of America’s wild quail, doves, upland game birds and other forms of wildlife;”
- $71,579 for the Chicago Horticultural Society, which manages the Chicago Botanic Garden;
- $61,312 for Pheasants Forever, which is “dedicated to the conservation of pheasants, quail and other wildlife through habitat improvements, public awareness, education and land management policies and programs;”
- $39,631 for the Illinois Audubon Society;
• $24,895 for the Morton Arboretum,\textsuperscript{108} which had net assets of $182 million as of December 31, 2008;\textsuperscript{109}
• $13,775 for the National Wild Turkey Foundation,\textsuperscript{110} an organization that works “for the conservation of the wild turkey and preservation of our hunting heritage” and which had a fund balance of $17 million as of August 31, 2009;\textsuperscript{111}
• $2,890 to Friends of Ryerson Woods;\textsuperscript{112}
• $2,400 for the Chicago Wilderness Trust;\textsuperscript{113}
• $2,000 for the Lake Forest Open Lands;\textsuperscript{114}
• $2,000 for the Illinois Raptor Center,\textsuperscript{115} which doesn’t refer to an awesome “Jurassic Park” in the state, but rather, a habitat for birds of prey; and
• $1,000 for the Chicago Zoological Society, which manages Brookfield Zoo.\textsuperscript{116}

Illinois’s generosity even expands across state lines. The Missouri Botanical Garden is receiving $60,198,\textsuperscript{117} and the Iowa Oil Company is receiving $12,945.\textsuperscript{118}

But legislators can’t always be conservation-minded. The state is also funding more sporting pursuits, including:

• $3,727 to Friends of the World Shooting and Recreation Center,\textsuperscript{119} located in Sparta, which offers skeet shooting, trap shooting, sporting clays, archery, cowboy action shooting, camping, and fishing, and is managed by the state of Illinois;\textsuperscript{120}
• $3,000 to Hidden Lakes Farm, a stocked trout pond affiliated with the Bolingbrook Park District;\textsuperscript{121}
• $1,737 to New Windsor Sportsmans Club, a private shooting club in Victoria, Illinois;\textsuperscript{122}
• $1,068 to Sand Prairie Farms, a private hunting club and organic farm;\textsuperscript{123} and
• $513 to Smithton Hunting & Fishing Club.\textsuperscript{124}

Illinoisans that do not participate in the activities of these organizations should not have to pay for their operations with their tax dollars. Running these organizations through memberships, donations, and user fees might be a better solution; and, of course, the ones run by the state should be privatized.

\textit{Go, Speed Racer!}

When it comes to spending money, there’s no stepping on the brakes now. In 2010, lawmakers are giving out more than just checkered flags to these vehicle-related recipients. Raceway Associates, which owns and operates the Chicagoland Speedway in Joliet, is receiving $200,000 in fiscal year 2010.\textsuperscript{125} Raceway Associates is a partnership of the Indianapolis Motor Speedway Corporation (which owns the site of the Indianapolis 500) and the International Speedway Corporation (which owns the Daytona 500),\textsuperscript{126} it does not really need money from the state of Illinois. Atkinson Motorsports Park in Northwestern Illinois, meanwhile, is receiving $153,165 for a construction grant.\textsuperscript{127} Built on the site of an abandoned coal mine, the facility is available for riding off-highway vehicles.\textsuperscript{128}

\textit{Green Acres}

Illinois is one of the nation’s agricultural powerhouses, due to its rich soil and favorable climate. According to the U.S. Department of Agriculture, it is one of the top five states for cash income, crop cash receipts, and total value of farm real estate.\textsuperscript{129} If that is the case, then the state shouldn’t be giving out so much money to specialty farmers.

For example, in fiscal year 2010 the Illinois Grape Growers and Vintners Association is receiving $72,750.\textsuperscript{130} Illinois may have good growing conditions, but it is certainly not temperate enough for wine production. Nevertheless, the industry
staggers on undeterred with the kind support of taxpayers. Other specialty farms benefitting from the state’s generosity include Bundy Tree Farm, which is receiving $34,400,131 and Keo Fish Farm, which is receiving $16,510,132.

Not everything can be produced in Illinois, however (which the vintners will figure out sooner or later), so several agencies have to purchase goods from elsewhere. Earth’s Natural Herbal Teas is receiving $2,860,133 for a noncontract purchase — perhaps for some of their products like “tea for sad people,” or maybe “hangover tea.” Tea seems to be very popular, as Ineeke, purveyors of organic teas from the Himalayas, is also receiving $1,331 for a noncontract purchase.

**My Fair Lady**

Summer in Illinois means one thing: agricultural fairs. Corn dogs, carnival rides, and livestock competitions…nothing could be better.

The splashiest events are the two state fairs in Springfield and DuQuoin. In fiscal year 2010, the state is spending $366,500 on entertainment at the DuQuoin State Fair. For awards and premiums at the Illinois State Fair, the state will spend $449,000, and the DuQuoin State Fair will receive $114,500 for awards and premiums.

County fairs, however, are big business for the rest of the state, and are the venues where most 4-H clubs, Future Farmers of America, and small farms can compete for fame and fortune. Of the 102 counties in the state of Illinois, 44 county fairs, or county fair associations, receive money from Illinois taxpayers directly, in the form of construction grants, prize money, and general awards/grants to help cover expenses, totaling $1,607,367 as of January 7, 2010.

**List of Transactions with “County Fair” in the Payee Line**

<table>
<thead>
<tr>
<th>EFFINGHAM COUNTY FAIR ASSN</th>
<th>$105,023.96</th>
<th>MONROE CO FAIR ASSOCIATION</th>
<th>$30,000.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>DECATUR-MACON COUNTY FAIR ASSN</td>
<td>$84,236.01</td>
<td>TRI COUNTY FAIR ASSOC INC</td>
<td>$30,000.00</td>
</tr>
<tr>
<td>BOONE COUNTY FAIR ASSOCIATION</td>
<td>$83,317.09</td>
<td>MADISON COUNTY FAIR ASSN</td>
<td>$29,151.84</td>
</tr>
<tr>
<td>LOGAN COUNTY FAIR ASSOCIATION</td>
<td>$75,973.05</td>
<td>SCHUYLER COUNTY FAIR</td>
<td>$27,351.24</td>
</tr>
<tr>
<td>MARION CO FAIR</td>
<td>$73,378.44</td>
<td>BROWN COUNTY FAIR ASSN</td>
<td>$25,492.18</td>
</tr>
<tr>
<td>STEPHENSON COUNTY FAIR ASSOC</td>
<td>$69,630.14</td>
<td>MACOUPIN COUNTY FAIR</td>
<td>$25,184.63</td>
</tr>
<tr>
<td>JERSEY COUNTY FAIR ASSOCIATION</td>
<td>$68,655.97</td>
<td>MENARD COUNTY FAIR INC</td>
<td>$22,529.45</td>
</tr>
<tr>
<td>BOND CO FAIR</td>
<td>$64,925.02</td>
<td>GREENE COUNTY FAIR</td>
<td>$21,315.16</td>
</tr>
<tr>
<td>ADAMS COUNTY FAIR ASSOC</td>
<td>$57,137.67</td>
<td>MERCER COUNTY FAIR ASSOCIATION</td>
<td>$18,590.11</td>
</tr>
<tr>
<td>WHITESIDE COUNTY FAIR ASSOC</td>
<td>$53,641.76</td>
<td>FULTON COUNTY FAIR</td>
<td>$18,518.47</td>
</tr>
<tr>
<td>FAYETTE COUNTY FAIR ASSOC</td>
<td>$53,091.43</td>
<td>MOULTRIE DOUGLAS COUNTY FAIR</td>
<td>$16,481.35</td>
</tr>
<tr>
<td>EDGAR COUNTY FAIR ASSOCIATION</td>
<td>$52,279.61</td>
<td>GALLATIN COUNTY FAIR</td>
<td>$15,967.39</td>
</tr>
<tr>
<td>KANKAKEE COUNTY FAIR &amp;</td>
<td>$52,000.67</td>
<td>FORD COUNTY FAIR OF MELVIN INC</td>
<td>$14,773.71</td>
</tr>
<tr>
<td>BUREAU CO FAIR BOARD</td>
<td>$47,741.09</td>
<td>HENDERSON COUNTY FAIR</td>
<td>$14,411.79</td>
</tr>
<tr>
<td>PANA TRI COUNTY FAIR ASSOC INC</td>
<td>$46,180.28</td>
<td>CARROLL COUNTY FAIR</td>
<td>$12,888.49</td>
</tr>
</tbody>
</table>
This list is far from comprehensive, as some associations have abbreviated their payee names so they could not be found through the Illinois Accountability Portal. The scope of the handouts is unmistakable, however. It is doubtful that the many Illinoisans who do not attend county fairs would want their tax dollars being used for these events. A more equitable solution would be to charge admission rates, booth and display fees, and concessions in line with the cost of these events, so that they may be self-funded in the future.

**Forcing Competitors to Pony Up**

According to the state of Illinois’s Accountability Portal, the state will send a total of $78,120,831 to horseracing interests in 2010. But as is so often the case with Illinois politics, policy and regulation, there is more to the story on horseracing than meets the eye.

This story illustrates what happens when the government begins to pick winners and losers rather than just assuring there is a fair and level playing field for all participants.

When casinos first became legal in Illinois the horseracing interests asked for open competition—a level playing field so they could compete by putting slots at the tracks and the casinos could build racetracks if they chose to. Sounds simple, right? Not so fast.

The General Assembly said no to open competition and instead came up with a series of regulatory measures via legislation to compensate the horseracing industry for the harm everyone agreed would occur—and which subsequently did occur.

After much back and forth and legal and legislative maneuvers, in 2006 the General Assembly passed an impact fee where casinos with $200 million and more in gross revenues were required to pay 3% into an equity trust fund that would go to the riders, the groomsman and the breeders—and also to promote horseracing and to invest in capital improvements. The state of Illinois would never have touched the money, but then the litigation started.

The casinos sued and eventually lost in the Illinois Supreme Court, but have re-filed. As a result, the state now collects the money and then sends it back out per the court’s requirement, which is how it came to be listed on the Accountability Portal. Meanwhile, even though the money is sent out, it can’t be spent…it sits in a “lock box” while the litigation continues.

Why does this matter today? Last year a capital bill passed to be funded, in part, with slots in over 70,000 bars and restaurants…but none at racetracks. Most communities are turning down the slots, so now the capital bill is underfunded. All of this will be taken up in Springfield during the current session.
Here’s a novel idea: Since gambling and horseracing are legal in Illinois, let’s allow the tracks to install slots, the casinos to build tracks and let’s let the local governments decide what they want in their community. Leveling the playing field with simple, common sense. Do you think it has a chance with this legislature?

**Cash Cow**

Cows may be more associated with Wisconsin, but they’re receiving Illinois money anyway. In fiscal year 2010, the Illinois Holstein Friesian Association is receiving $1,260;\(^{149}\) the Illinois Brown Swiss Association is receiving $900;\(^{150}\) the Illinois Guernsey Breeders Association is receiving $900;\(^{151}\) and the Illinois Jersey Cattle Club is receiving $720.\(^{152}\)

**Artistic License**

**It’s a Small World After All**

To many Illinoisans, preserving their cultural heritage is a priority. In such a diverse state, however, it becomes problematic when legislators start doling out funds to support the artistic legacy of specific ethnic groups or regions. Instead of picking “winners” and “losers” based on subjective criteria, the state should encourage communities to work together to honor their traditions. Funding in fiscal year 2010 includes the following:

- $248,094 to the National Museum of Mexican Art in Pilsen;\(^{153}\)
- $32,000 to Luna Negra Danza Teatro;\(^{154}\)
- $28,030 to the Lira Ensemble, a professional performing arts company specializing in Polish music, song, and dance;\(^{155}\)
- $27,600 to the Puerto Rican Arts Alliance;\(^{156}\)
- $24,520 to Teatro Vista Theater with a View;\(^{157}\)
- $17,700 to the DuSable Museum of African American History;\(^{158}\)
- $9,770 to the American Indian Center,\(^{159}\) which seeks to “promote the fellowship among Indian people of all Tribes living in metropolitan Chicago and sustain cultural, artistic and avocational pursuits,”\(^{160}\)
- $7,990 to the International Latino Cultural Center of Chicago;\(^{161}\)
- $6,040 to Asian Improv Arts Midwest,\(^{162}\) whose programs include a Taiko drum legacy project, a shamisen (Japanese lute), and an Asian American jazz festival;\(^{163}\)
- $3,000 to the Chinese Fine Arts Society;\(^{164}\)
- $2,570 to the Northwest Center for Traditional Polish Folk Dancers;\(^{165}\)
- $2,120 to the Anila Sinha Foundation, which preserves the classical music and dance of India;\(^{166}\)
- $1,650 to the Ukrainian Institute of Modern Art;\(^{167}\)
- $1,000 to Philippine Performing Arts of Chicago;\(^{168}\) and
- $325 to the Springfield International Folk Dancers.\(^{169}\)

**Affluent Arts**

Chicago is known for its world-class entertainment, which draws talent from around the globe. Strangely, the state is still providing money to many of the city’s most prestigious organizations, despite their star power and expansive donor base. In 2010, Illinoisans are contributing $69,070 to the Chicago Symphony Orchestra,\(^{170}\) which had a fund balance of $283 million on June 30, 2008;\(^{171}\) $61,500 to the Art Institute of Chicago,\(^{172}\) which had a fund balance of $1 billion on June 30, 2008;\(^{173}\) $39,200 to the Ravinia Festival Association,\(^{174}\) which had a fund balance of $116 million on September
30, 2008;\textsuperscript{175} $30,700 to the Goodman Theater;\textsuperscript{176} $24,000 to the Steppenwolf Theatre Company,\textsuperscript{177} which had a fund balance of $21 million on August 31, 2008;\textsuperscript{178} $18,800 to Hubbard Street Dance Company,\textsuperscript{179} and $407,300 to the Illinois Humanities Council,\textsuperscript{180} which, according to its most recently released numbers, has a budget topping $2,000,000.\textsuperscript{181}

**The Sound of Music**

In tough economic times, legislators also like to spend their constituents’ money on more inexpensive forms of entertainment (whether the people like it or not.) The performances and organizations listed below may be wonderful, but when the state is strapped for cash – and both taxpayers and core services are suffering – should they really be on the state’s priority list?

- $19,000 to the Chicago International Film Festival;\textsuperscript{182}
- $12,200 to the Jesse White Tumbling Team;\textsuperscript{183}
- $11,255 to Kicking Cow Promotions,\textsuperscript{184} a marketing firm that has worked with Alpo, Friskies, and Meow Mix;\textsuperscript{185}
- $10,000 for the Dark Knight Gala,\textsuperscript{186} an event that honored film director Christopher Nolan, and included a screening of “The Dark Knight” and a dinner reception;
- $8,440 to the South Shore Drill Team & Performing Ensemble;\textsuperscript{187}
- $7,760 to Independent Features Project,\textsuperscript{188} which provides resources, information and avenues of communication for independent filmmakers, industry professionals and independent film enthusiasts;\textsuperscript{189}
- $6,500 for Bass Tubs by Hurt Promotions,\textsuperscript{190} which provides fishing seminars and demonstrations using a 4,000 gallon, 40-foot long tank filled with live fish;\textsuperscript{191}
- $5,000 to Chicago Filmmakers;\textsuperscript{192}
- $5,000 to the Bucket Boys,\textsuperscript{193} a hip-hop percussive duo “using a medley of junk collected from wrecking yards, trash bins, basements and attics;”\textsuperscript{194}
- $1,900 to Digging Records,\textsuperscript{195} a “full-service recording, duplication and graphic design resource;”\textsuperscript{196}
- $1,100 to Island Enterprises Inc,\textsuperscript{197} a company providing “everything for luaus and Hawaiian themed events from dancers to music to props and apparel;”\textsuperscript{198}
- $750 to Sounds of Good News Productions,\textsuperscript{199} an “inspirational communications company that gives life enhancement through music, art, drama, publications and self-improvement trainings;”\textsuperscript{200} and
- $600 to Artists of Note,\textsuperscript{201} a folk art booking agency.

**Making the News**

In the 1976 movie *Network*, a news anchor shouted, “I’m mad as hell, and I’m not going to take it anymore!” It reverberated with his viewing audience, who then took up the cry. With the state subsidizing local broadcasting, perhaps it will inspire Illinoisans to share their indignation with their state legislators. Window to the World, also known as WTTW public broadcasting, is receiving $169,775 through a nonprofit grant.\textsuperscript{202} According to WTTW’s 2008 annual report, it had net assets of $35.1 million as of June 30, 2008.\textsuperscript{203}

Unfortunately, there is no need for public broadcasting in an era of cable television and streaming Internet videos. The programming seen on public television can, and should, be moved to mainstream channels or viewed in other formats. As the term “the fourth estate” implies, the independence of the news is essential to a free republic – and the information provided by government-funded media may be influenced by its largest contributor.
The Economic Development Game

In theory, businesses succeed because they offer a good or service that consumers want, at a price that customers will pay while still creating a profit. In Illinois, some businesses have a little help succeeding because the government gives them subsidies, tax breaks, and favorable treatment. Forget playing by the rules – it’s time to start meeting the right people and greasing the right palms.

Legislators love to play this game, because by doling out special treatment to favored companies and industries, they’ve bought votes and campaign support in the future (with tax dollars, of course.) Unfortunately, once an organization’s loyalty has been bought, it has far less incentive to innovate or keep prices low, because the government will pad its profits and stifle the competition. At the end of the day, the big losers are the taxpayers, who pay for legislators’ largesse through both higher taxes that pay for these handouts and in the form of more expensive goods and services from companies that are less efficient than they should be.

Electric Avenue

Power companies basically enjoy monopoly status, and certainly do well in Illinois. In fiscal year 2010, the DCEO is providing Tenaska Energy with a $10 million grant and Synchronous Energy Solutions with a $32,000 grant.

The DCEO has given out many sizeable “refunds” to power companies in the state. The Illinois Power Company is receiving a $2,236,485 refund; the Central Illinois Public Service Company is receiving a $1,341,891 refund; Commonwealth Edison is receiving a $1 million refund; and the Central Illinois Light Company is receiving a $894,594 refund.

Ticket to Ride

The same economic factors are at play in the transportation industry, where the state is passing out taxpayers’ hard-earned dollars to large businesses. Amtrak is receiving $28 million in fiscal year 2010 in a state subsidy for an operating deficit for intercity rail services, and Amtrak will also receive a $1.5 billion subsidy in 2010 from the federal government. The broader population should not have to pay for the company’s mismanagement. The state should end its subsidies and encourage Amtrak to raise ticket prices for users of its services in Illinois. Amtrak should be bearing the full cost of operating its portion of the transportation system.

The Boeing Corporation is also pocketing $1,168,427. The world’s third-largest defense contractor, with estimated revenues in 2008 of more than $60 billion, should not have its hand out for taxpayer dollars in the state of Illinois.

Finally, a highly controversial transportation program is also receiving a significant amount of money. In fiscal year 2010, the state is providing $33,570,000 for reimbursement for reduced fares through the Regional Transportation Authority Service Boards. The RTA oversees the Chicago Transit Authority (CTA) bus and rail system, Metra commuter rail, and Pace suburban bus service. The state’s funding distribution has recently been called into question through a class action lawsuit, where plaintiffs allege that minorities have been historically shortchanged.

Since 1965, seniors and low-income individuals with disabilities have received discounts on their fares. This program was expanded under former Gov. Blagojevich to provide free transportation on select routes for seniors and the disabled, despite warnings of the costs it would impose on the state budget. Such a program should only be available to individuals who truly need assistance, with means-testing implemented for fare reductions. The phrase “free rider problem” exists for a reason, after all.
Convention & Visitors Boards

Tourism in Illinois is big business...for the tourism industry, that is. In 2010, the state is handing out $8,943,196 to town and county tourism and convention/visitors bureaus.

List of Transactions with “Convention” or “Tourism” or “Visitor” in the Payee Line

<table>
<thead>
<tr>
<th>Payee Line</th>
<th>Amount</th>
<th>Payee Line</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>CHICAGO CNVNTN TOURISM BUR INC</td>
<td>$3,506,272.48</td>
<td>CENTRAL ILLINOIS TOURISM</td>
<td>$76,520.00</td>
</tr>
<tr>
<td>WESTERN IL TOURISM COUNCIL</td>
<td>$1,014,371.91</td>
<td>NORTHERN IL TOURISM COUNCIL</td>
<td>$76,520.00</td>
</tr>
<tr>
<td>DUPAGE CNVNTN &amp; VSTRS BUR INC</td>
<td>$396,000.00</td>
<td>AURORA AREA CONVENTION &amp;</td>
<td>$72,816.00</td>
</tr>
<tr>
<td>CHICAGO SOUTHLAND CONVENTION &amp;</td>
<td>$391,580.52</td>
<td>ELGIN AREA CNVNTN &amp; VSTRS BUR INC</td>
<td>$72,315.54</td>
</tr>
<tr>
<td>LAKE COUNTY IL CONVENTION &amp;</td>
<td>$386,860.98</td>
<td>ALTON REGIONAL CONVENTION &amp;</td>
<td>$60,339.98</td>
</tr>
<tr>
<td>GREATER WOODFIELD CONVENTION &amp;</td>
<td>$365,017.50</td>
<td>DECATUR AREA CONVENTION &amp;</td>
<td>$50,383.50</td>
</tr>
<tr>
<td>ROCKFORD AREA CONVENTION &amp;</td>
<td>$332,777.50</td>
<td>SOUTHERNMOST IL TOURM BUR INC</td>
<td>$47,164.04</td>
</tr>
<tr>
<td>HERITAGE CORRIDOR VISITORS BUR</td>
<td>$277,795.50</td>
<td>QUINCY CNVNTN &amp; VSTRS BUR INC</td>
<td>$41,382.50</td>
</tr>
<tr>
<td>PEORIA AREA CONVENTION AND</td>
<td>$228,717.48</td>
<td>KANKAKEE COUNTY CONVENTION AND</td>
<td>$37,878.54</td>
</tr>
<tr>
<td>CHICAGOS NORTH SHORE</td>
<td>$223,465.52</td>
<td>WILLIAMSON COUNTY TOURISM BUR</td>
<td>$36,048.00</td>
</tr>
<tr>
<td>THE TOURISM BUREAU</td>
<td>$222,524.46</td>
<td>CARBONDALE CONVENTION &amp;</td>
<td>$28,651.50</td>
</tr>
<tr>
<td>CHICAGO TOURISM FUND</td>
<td>$165,000.00</td>
<td>DANVILLE AREA CONVENTION AND</td>
<td>$27,935.02</td>
</tr>
<tr>
<td>CHAMPAIGN URBANA CONVENTION &amp;</td>
<td>$142,248.00</td>
<td>SOUTHEASTERN IL CONVENTION &amp;</td>
<td>$15,368.52</td>
</tr>
<tr>
<td>OAK PARK VISITORS BUREAU</td>
<td>$141,612.00</td>
<td>JACKSONVILLE AREA VISITORS &amp;</td>
<td>$14,502.00</td>
</tr>
<tr>
<td>QUAD CITIES CNVNTN &amp; VSTRS BUR</td>
<td>$103,513.48</td>
<td>MACOMB AREA CONVENTION &amp;</td>
<td>$14,143.02</td>
</tr>
<tr>
<td>SOUTHWESTERN ILLINOIS TOURISM</td>
<td>$89,020.00</td>
<td>HENRY COUNTY TOURISM COUNCIL</td>
<td>$11,753.46</td>
</tr>
<tr>
<td>GREATER ST CHARLES CONVENTION</td>
<td>$85,088.04</td>
<td>MCHENRY COUNTY CONVENTION</td>
<td>$11,124.42</td>
</tr>
<tr>
<td>ILLINOIS CNCL OF CONVENTION &amp;</td>
<td>$82,465.00</td>
<td>ABRAHAM LINCOLN TOURISM BUREAU</td>
<td>$9,852.48</td>
</tr>
<tr>
<td>SOUTHERN IL REGIONAL TOURISM</td>
<td>$77,265.00</td>
<td>SHELBY COUNTY OFFICE OF TOURISM</td>
<td>$6,901.98</td>
</tr>
</tbody>
</table>

In addition to those specific offices, the state is also providing $123,781,864 to the Metropolitan Pier & Exposition Company, the organization that owns and manages the McCormick Place complex and Navy Pier. According to the MPEA’s website, it also works “to promote and operate conventions, fairs and expositions in the Chicago area,” and “oversees a variety of programs that positively impact the thousands whose jobs are tied to McCormick Place and Navy Pier, as well as the millions who visit both venues each year.”

Some employees have been rewarded generously through their employment with MPEA. The Chicago Sun-Times reported on January 6, 2010 that “there has been a 17 percent increase in the number of McCormick Place and Navy Pier employees paid more than $100,000 a year since 2006 despite a trade show exodus that threatens Chicago’s standing..."
as a convention center.” Coincidentally, some of those top employees have been linked to the Daley and Blagojevich administrations by the *Sun-Times*.

Even though the state is contributing more than $123 million in fiscal year 2010, the organization is still facing a $34 million operating deficit. Trimming a bit of fat off the (well-connected) top would be a good place to start cutting costs. With such shortfalls domestically, the state is interested in luring money from abroad, which is perhaps why $91,000 is going to Illinois’s NAFTA Opportunity Centers. Services at the NAFTA Opportunity Center at Bradley University include “one-on-one counseling on export issues, confidential and at no cost; trade flow research that allows you to determine the top export markets for your product; and international Agent/Distributor searches that help you find the right partner in the right market,” among others. Certainly, this is useful information for businesses looking to expand overseas. Since those businesses will be reaping the rewards should the ventures prove successful, they also should be paying the initial investment for their own research, not asking the taxpayers of Illinois to subsidize their efforts.

**That’s Not All, Folks**

**Get Your Kicks…**

The Illinois Department of Transportation contributed five grants totaling $217,691 to the Illinois Route 66 Heritage Project. The DCEO paid Illinois Route 66 Events Inc. $25,000 in the form of a grant to a non-profit organization. The company’s signature event appears to be the International Route 66 Mother Road Festival & Car Show, featuring such attractions as a classic car auction, Abraham Lincoln impersonators, and performances by the Groove Daddies, Captain Rat & The Blind Rivets, and Springfield’s Elvis. Taxpayers are getting a kick…

**Eminent Romaine**

The phrase “eat, drink, and be merry,” is a popular saying, and seems to have been taken to heart by state employees. In fiscal year 2010, the state is spending a lot of money on food, but the taxpayers won’t be getting any leftovers from the following:

- $707,091 to Rebhan R & W Meat Company, which was convicted of two misdemeanors “for causing meat and meat products transported in commerce to become adulterated in that the meat and meat products were held under insanitary conditions whereby the meat or meat products may have become contaminated with filth or whereby it may have been rendered injurious to health;”
- $12,077 to Arctic Ice Cream;
- $9,512 to Carl Buddig & Company for deli meat;
- $3,031 to Mussman’s Back Acres, “your home for the freshest home-grown eggs,”
- $837 to Home City Ice, the “bottled water in a bag,” and
- $638 to the Windy City Popcorn & Supply Company.

**Lincoln, Lincoln, I’ve Been Thinkin’…**

Although Illinois has a new favorite son these days, its first President, Abraham Lincoln, remains memorialized throughout the state. Streets, towns, and schools are named after him, and his image graces license plates. There’s even a federal holiday for his birthday in February. If those were the only ways that the nation’s 16th president was honored, they would be considered sufficient (after all, nobody gets the day off for President Taft’s or President McKinley’s birthdays).
Unfortunately for the taxpayers of Illinois, however, the tributes do not stop there. The state of Illinois funds many more Lincoln-related projects, spending lots and lots of copper pennies. Wait a minute…he’s even on that coin!

In fiscal year 2010, the state is providing $78,500 to the Looking for Lincoln Heritage Association, a consortium of Illinois communities that share the legacy of Abraham Lincoln. In addition, Illinois Lincoln Highway, a national scenic byway, received $62,322.

Ironically, one Lincoln-related boondoggle, the President Abraham Lincoln Hotel, will show up on the government’s balance sheets this year as revenue, despite the fact that it has taken a substantial chunk out of the state’s finances over the years.

The Working Man

The DCEO is paying the Illinois AFL-CIO Outreach $1,370,000 in fiscal year 2010 for “support services for unemployed.” The DCEO is also paying the Illinois AFL-CIO $1,010,000 for the same purpose. With union dues so high, and the Illinois AFL-CIO representing over one million workers, members’ annual dues and contributions should be used for this purpose – not taxpayer dollars.

United Neighborhood is not union-affiliated, but it is following the same tactics, and is receiving $122,400. Its website says that it is “Modeled on the Saul Alinsky style of community organizing,” a frightening proposition for anyone who values ethics and civility in public discourse.

Conclusion

Illinois’s finances are grim, but with a committed effort by legislators and input from the people they serve, the state can get back on track. The underlying principles that have driven legislators for so long – earmarks, cronyism, and buying votes – must end. The state has neither the resources nor the knowledge to be all things to all people. It cannot allocate funds properly among neighborhoods, ethnic groups, or businesses, because individuals value resources differently. Giving lawmakers the power to pick winners is a surefire method of ensuring that the broader population will lose. In the words of satirist P.J. O’Rourke, “when buying and selling are controlled by legislation, the first things to be bought and sold are legislators.”

The current pattern of borrowing, taxing, and spending is unsustainable, and to continue to do so would be madness. The government’s mandate to lead must be redefined, and sharply limited. It is time for a new era in Illinois governance, one in which individuals take responsibility for their lives and their communities.

To get the state’s finances under control, citizen participation is crucial. The current accountability portal, at www.accountability.illinois.gov, is an excellent resource for concerned citizens. It is not sufficiently user-friendly, so more explicit directions on navigating the site should be added, as well as definitions for some of the terms on the site. Unfortunately, some payees’ names are misspelled or abbreviated, so searches do not always yield full results. Expanding search term options or suggestions and allowing for the exclusion of search terms would be helpful.

Much of the information on the site is still at a macro level; therefore, additional data on the site would be helpful, such as links to purchase details (contracts or otherwise) and grant terms. To facilitate this process, the state’s budgeting codes need to be streamlined, as duplication in categories can be confusing (such as “awards and grants” and “awards and grants – lump sum.”) The Illinois Policy Institute has suggested consolidating the state’s grant reporting system, and making it more public; it can be tied in to the state accountability portal. Ideally, additional public scrutiny will encourage employees to think twice before overspending or approving dubious projects. IllinoisOpenGov.org, sponsored by the
Illinois Policy Institute, does this using information obtained directly from government sources; however, the fact that the organization must obtain all information through the state's cumbersome Freedom of Information Act (FOIA) process slows access to this data considerably. Citizens deserve direct, real-time access to this information, and should not need the full-time assistance of trained professionals.

As far as the overall state budget is concerned, legislators owe constituents a proper budgeting process. Unfortunately, by passing a partial-year budget and giving the governor block grant authority in July 2009, the people of Illinois were denied an opportunity to engage their elected officials in the budget process. The use of block grants should be discouraged because they obscure how funds are spent. Lawmakers should detail what programs will be funded and at what level to the best of their ability.

Obviously, the programs mentioned in the Piglet Book should be eliminated because they do not fall within the purview of the state government, and are wasteful and duplicative. Rather than trying to anticipate and pay for the needs of 12 million residents, the state would be better served by creating limited programs of defined benefits and minimal bureaucracy. State agencies should be held to high standards, and make public their yearly metrics and annual funding justifications in order for the people to determine if programs are worthwhile or not. At the present, not all of the state's agencies place such reports or statistics on their websites in a timely fashion, which can be easily remedied.

Citizens need an ongoing forum to voice their concerns. The governor’s Taxpayer Action Board should be an ongoing project, with representatives drawn from the private sector and nonprofit organizations. State agencies’ websites must be updated to accept such comments, which should be aggregated and available for public viewing. Taxpayers should be able to communicate their concerns over certain programs easily, and instruct legislators and bureaucrats on what to do. Such a portal can be Illinois’s twenty-first century version of the Grace Commission, enabling citizens to scrutinize expenses and evaluate projects to help government officials root out waste, fraud, abuse, and mismanagement.

To jump-start the Illinois economy, cutting unnecessary programs is the first and easiest step. The second step must be to cut up the state’s credit card, and end unrestrained, ill-conceived borrowing. Should bonds be issued, it must be for a specific purpose, with a finite repayment schedule. These changes will only be implemented to lasting effect through the efforts of concerned citizens, who must demand a more efficient, more transparent government. Only then will the state be able to change its culture of corruption and usher in a new era of accountability, transparency and efficiency.
End Notes
8 Ibid., p. 2-1.
11 Ibid., p. 41.
19 $61,332,000,000.00 / (365 \times 24 \times 60 \times 60) = $1944.82.


201 Accountability.illinois.gov, “Payments to a Vendor for a Category Detail: Payments to Artists of Note for Lump Sum and Other Purposes – Professional/ Artistic Services NEC,” http://www.accountability.illinois.gov/Expenditures/Vendor/Contracts.aspx?Year=2010&Agency=0&Vendor=3b71e0c-34ae-4960-a055-31c4cd96fa48&Category=1900&Detail=1245.


229 Accountability.illinois.gov, “Payments to a Vendor for a Category Detail: Payments to Arctic Ice Cream Inc for Lump Sum and Other Purposes – Food Supplies,” http://www.accountability.illinois.gov/Expenditures/Vendor/Contracts.aspx?Year=2010&Agency=0&Vendor=96019c20-6bf8-4412-9dd9-0a9787e4e014&Category=1900&Detail=1360.


