



**Office of the Governor
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Gov. Pritzker Signs Fifth Balanced Budget

FY24 Budget Makes Transformative Investments in Education, Workforce and Economic Development, and Efforts to Fight Poverty

CHICAGO – Building on four years of fiscally responsible leadership, Governor JB Pritzker signed the Fiscal Year 2024 budget into law today, delivering his fifth balanced budget while making transformative investments in early childhood, K-12 schools, higher education, workforce and economic development and efforts to fight violence and poverty.

The Fiscal Year 2024 budget prioritizes fiscal responsibility, contributing an additional \$200 million to the state’s pension systems beyond what is required, continuing to pay down the state’s remaining outstanding debts, and making ongoing contributions to the state’s Budget Stabilization Fund, set to surpass \$2 billion.

“From the beginning, I promised to work together with the General Assembly to restore fiscal responsibility to our state government after years of mismanagement,” said Governor JB Pritzker. “Thanks to our firmer fiscal foundation, we have been able to put billions of dollars back into the pockets of Illinois taxpayers while investing in our future. Our budgets have allowed thousands more students to stay in Illinois because they can afford a college degree. Balanced budgets have allowed us to modernize our infrastructure, build nation-leading clean energy production, attract industries of the

future like quantum computing, and prioritize childcare for working families and our youngest children.”

“Today is a historic day in Illinois, and I’m so proud of the work we’ve accomplished for the Fiscal Year 2024 budget that will build on our commitment to empower communities to be healthy and safe in Illinois. This fiscally responsible budget is making our transformation efforts a reality, prioritizing our children, our young people who wish to pursue a higher education by making college affordable, all while investing in safety in our communities,” **said Lt. Governor Juliana Stratton**. “I thank Governor JB Pritzker, and members of the General Assembly for their work in our fifth budget that will uplift and invest in all our Illinois residents.”

“Passing this budget was an exercise in trust, working together to prioritize paying down debt, shoring up our Rainy Day Fund and ensuring a durable, balanced budget,” **said Senate President Don Harmon (D-Oak Park)**. “I want to thank Governor Pritzker for his commitment to responsible budgeting. I also want to thank Speaker Welch for his partnership and the incredible Senate budget negotiators for their hard work. The future looks bright for Illinois.”

“With this budget we're building a stronger economy and putting our state back on sound fiscal footing, while also making smart investments in priorities like education, healthcare, and local communities,” **said House Speaker Emanuel “Chris” Welch (D-Hillside)**. “I want to thank Governor Pritzker and Senate President Don Harmon for their commitment to getting this right. I also want to thank my Chief Budgeteer Jehan Gordon-Booth, the House Appropriations Chairs, and Budget Negotiation Team for the hard work that went into crafting a budget that expands opportunity and creates a brighter future for Illinois.”

“The budget signed today builds upon our strong, smart spending decisions of recent years that have led Illinois to not just one credit upgrade – but eight. I am proud of the steps we took to continue Illinois on the right path,” **said State Senator Elgie R. Sims, Jr. – the Senate’s Appropriations Leader (D-Chicago)**. “We didn’t just look at fiscal outcomes but prioritized our most vulnerable populations, educating our young people, keeping our communities safe, creating good jobs, and growing our economy. Continuing our principled and disciplined approach will keep our fiscal house in order. I am committed to doing the work necessary to ensure that Illinois continues to enact responsible budgets and remains on the path toward fiscal stability, investing in and uplifting marginalized people, all while prioritizing our communities and people who need the most assistance.”

“This state budget is balanced in every sense. It is a fiscally and socially responsible plan that will direct needed resources to our classrooms, public safety efforts and essential services that families depend on,” **said House Chief Budgeteer Jehan Gordon-**

Booth (D-Peoria). “We’re rebuilding Illinois’ fiscal house, while responsibly saving for the future and creating greater flexibility to address the challenges of tomorrow. This balanced plan delivers critical funding that ensures every student has access to a quality education, helps more people access the health care they deserve and invests in career and technical training to prepare our young people for high-wage jobs across Illinois. I am appreciative of the months of negotiation and hard work from both sides of the aisle to develop this responsible and compassionate plan, and look forward to the strong, positive impact it will have on uplifting families across our state.”

FISCAL YEAR 2024 BUDGET HIGHLIGHTS

OVERVIEW

The Fiscal Year 2024 General Funds budget plan reflects projected revenues of \$50.611 billion and expenditures of \$50.428 billion, resulting in a \$183 million surplus.

Highlights from the budget package include:

Commitment to Fiscal Responsibility – 5th balanced budget

The Fiscal Year 2024 budget framework builds upon four years of historic fiscal progress with a commitment to balanced budgets, **eight** credit rating upgrades, a Rainy Day Fund set to surpass **\$2 billion**, the elimination of the bill backlog, and **\$1 trillion** in GDP. This year’s investments include:

- **\$200 million** additional pension payment beyond what’s required, bringing total pension stabilization investments to **\$700 million**
- **\$450 million** to pay off Railsplitter Authority bonded debt – saving the state up to **\$60 million** in interest
- An enacted plan to address the long-term structural deficit in the Community College Insurance Program (CIP), a health insurance program for retired community college employees
- **\$85 million** in additional funding to communities through the Local Government Distributive Fund with an increase in the state’s revenue sharing formula.

Early Childhood Education and Childcare Funding

A highlight of the budget is **\$250 million** to fund the first year of Smart Start Illinois, the Governor’s early childhood initiative to eliminate preschool deserts, stabilize the childcare workforce, and expand the Early Intervention and Home Visiting programs.

This multi-year program provides a comprehensive approach to investments in preparing children to be lifelong learners. Year one targeted investments include the following:

- An additional **\$75 million** for the Early Childhood Block Grant at the Illinois State Board of Education to increase preschool availability while improving the quality of education. This funding is the first step in working to eliminate “preschool deserts” by December 2027 through adding more than 20,000 slots for preschool aged children and the ability to serve thousands more infants and toddlers through the Prevention Initiative. This brings funding for the Early Childhood Block Grant program to nearly \$673 million, \$179 million more than when Governor Pritzker took office.
- Invests **\$130 million** and additional federal dollars to begin funding for Early Childhood Workforce Compensation Contracts to stabilize operational funding and promote quality in the childcare system. The proposed development of the contract funding model stems from recommendations made by the Early Childhood Funding Commission.
- Invests an additional **\$40 million** for Early Intervention programs to provide funds for an expected increase in participants and a 10 percent rate increase for providers.
- **\$5 million** to expand DHS’ Home Visiting Program.

Additional early childhood investments to support the plan include the following:

- **\$70 million** to cover an expected increase in Childcare Assistance Program (CCAP) participation and annualize rate increases from Fiscal Year 2023.
- **\$20 million** to begin upgrading the child care payment management system.
- Federal funding for Early Childhood Access Consortium for Equity (ECACE) Scholarships for tuition, fees and other costs of attendance.
- **\$1.6 million** to launch Dolly Parton’s Imagination Library statewide, an initiative that allows families to register their children to receive free, high-quality books in the mail from birth to age five no matter the family’s income.

K-12 Education

- **\$350 million** increase for K-12 evidence-based funding (EBF) formula. ISBE uses the tiered formula to distribute state funding based on need. This investment brings the total annual EBF program to **\$8.279 billion**, or a **\$1.443 billion** increase in annual base funding during the Pritzker administration. In total, schools will have received an additional **\$4.0 billion** in EBF funds over five years.
- **\$45 million** for the first year of a three-year pilot to fill teacher vacancies, plus additional investments in scholarships for future teachers. The funding will be allocated to the State’s school districts which experience some of the most significant hurdles to attract and retain teachers.
- **\$3 million** for computer science education investments to expand grants to school districts and professional development opportunities for teachers while promoting equitable access to coursework.

Higher Education

The Fiscal Year 2024 budget continues to make college more affordable with historic increases in funding for public universities, community colleges and financial aid.

- **\$100 million** increase to **\$701 million** for Monetary Assistance Program (MAP) grant funding, so that virtually everyone at or below the median income can go to community college for free. This funding is the latest step in a 75 percent increase for MAP since 2019.
- **\$100 million** increase in operating funds for public universities (**\$80.5 million**) and community colleges (**\$19.4 million**) – the highest increases in more than two decades
- Increases funding for AIM HIGH merit-based scholarships by **\$15 million** to a total of **\$50 million**. HB301 will make the program permanent.
- Includes new funding to support community college investments, including:
 - **\$8.3 million** for dual-credit and non-credit workforce grant programs;
 - **\$11 million** for curriculum development related to advanced manufacturing, electric vehicle and data center workforce training programs;
 - **\$2 million** for technology upgrades for digital instruction in WIOA Title II Adult Education programs; and
 - **\$750,000** to expand English language services to non-English speaking communities.
- An additional **\$3.8 million** for the Minority Teacher Scholarship program
- Continues funding of **\$25 million** for the Pipeline for the Advancement of the Healthcare (PATH) Workforce Program, to train new nurses, medical assistants, medical laboratory technicians, emergency medical technicians and other high-demand positions.
- Additional funds for the Diversifying Higher Education Faculty in Illinois (DFI) program to provide holistic supports for fellows, beyond their stipend. This would include a new orientation program, conference attendance, and a graduate symposium to help them prepare for and find employment in Illinois.
- Includes **\$3 million** for the Department of Public Health (DPH) to implement the Equity and Representation in Health Care Workforce Repayment Program and Scholarship Program per PA 102-0942.

Health and Human Services

- **Nearly \$75 million** increase for DCFS to hire 192 staff, expand training and protection, increase scholarships for youth in care, and improve facilities
- More than **\$500 million** in new state and federal funds to support the state's healthcare system
- **Approximately \$240 million increase** to better serve Illinoisans with developmental disabilities
- **\$42.5 million** for grants to counties and cities for their costs associated with asylum seekers

- **\$22.8 million** in funding to begin implementing the new Children’s Behavioral Health Transformation Initiative
- **\$18 million** increase to support reproductive health initiatives
- **\$24 million** for a rate increase for home workers who assist the elderly, increased outreach to the elderly, and an increase for Adult Day Services
- **\$10 million** for a state-based health insurance marketplace to help expand healthcare access
- **\$1.2 million** for a division of healthcare access at the Department of Insurance
- **\$53.5 million** to overhaul IDPH’s disease monitoring IT systems and prepare for future public health emergencies
- **\$35 million** increase for TANF to address an increase in caseload, make inflation adjustments and increase eligibility from 30 percent to 35 percent of the federal poverty level **\$41 million** for youth employment and summer job programs

Addressing Homelessness

Home Illinois is a multi-agency effort to support homeless prevention, provide affordable housing, support crisis response, expand housing support and increase the number of staff focused on assisting people experiencing homelessness. Housed at the Illinois Department of Human Services, Home Illinois involves many state agencies and partners including the Illinois Housing Development Authority, the Department of Healthcare and Family Services, the Illinois Department of Corrections, and the Illinois Department of Commerce and Economic Opportunity. The budget includes an **\$85 million** increase, bringing state funding to over **\$350 million**, to support homelessness prevention.

The funds in support of this work include:

- More than \$118 million to support unhoused populations seeking shelter and services, including \$40.7 million in the Emergency and Transitional Housing Program.
- \$50 million in Rapid ReHousing services for 2,000 households, including short-term rental assistance and targeted support for up to two years.
- \$40 million in Permanent Supportive Housing (PSH) Capital funds to develop more than 90 new PSH units providing long term rental assistance and case management.
- \$37 million in Emergency Shelter capital funds to create more than 460 non-congregate shelter units.
- More than \$35 million for supportive housing services homeless youth services, street outreach, medical respite, re-entry services, access to counsel and other shelter diversion supports
- \$30 million for court-based rental assistance.
- \$21.8 million to provide homelessness prevention services to 6,000 more families.
- \$15 million to fund Home Illinois Innovations Pilots
- \$12.5 million to create 500 new scattered site PSH units.

Public Safety and Violence Prevention

- Continues the multi-year commitment of **\$250 million** for the Reimagine Public Safety Act to prevent gun violence and expanded funding for youth employment programs
- Includes **\$200 million** for the Restore, Reinvest, and Renew (R3) grant program, a \$75 million increase
- Includes **\$40 million -- \$20 million each** -- in funding for the Office of the State Appellate Defender and the Office of the State's Attorney Appellate Prosecutor to carry out responsibilities under the new Pre-trial Services Act.
- Provides **\$16.1 million** to support two cadet classes to hire and train 200 additional sworn troopers to address the rising need for officers throughout the State, bringing the total number of officers to 1,800.
- Includes operational and administrative support funding for the new seven-member Firearm Owner's Identification Card Review Board, created by PA 102-0237, which reviews appeals from card applicants.
- Includes more than **\$2.1 million** for Safe2Help Illinois, a 24/7 program where students can share information on safety issues in a confidential environment.
- Provides an additional **\$18 million** funding round for the Illinois Nonprofit Security Grant Program per PA 100-0508, which will provide grants and support to organizations throughout the State for security improvements that assist in preventing, preparing for or responding to acts of terrorism
- Includes **\$30 million** for the Law Enforcement Camera Grant Program to provide reimbursement to local law enforcement agencies for in-car cameras, body cameras and data storage.
- Includes **\$10 million** for the Law Enforcement Recruitment and Retention Fund to provide resources to local law enforcement agencies for recruitment of new officers, retention plans, mental health care for officers, safety equipment and training, and improvement in local jails.
- Includes **\$2.5 million** for the Illinois Terrorism Task Force Gaps Report to establish a baseline for public safety response capabilities
- Continues the Department of Juvenile Justice's 21st Century Transformation Plan that includes operational costs for its new facility in Lincoln, scheduled for opening in late Fiscal Year 2024.
- Includes **\$13 million** in funding for the Adult Redeploy Program, an increase of \$1 million to allow for continued program expansion.

Government Services

- **\$16.5 million** for a multi-year initiative to modernize the state's professional licensing system at the Department of Financial and Professional Regulation and additional funds for a call center to assist in the transition.
- **\$32.5 million** to the Secretary of State to implement the REAL ID program

- **Over \$75 million** for the Secretary of State to begin to modernize the office's computer systems

Economic and Community Development

- **\$400 million** to close major economic development deals and attract businesses and jobs to the state
- Expanded workforce development programs to build a pipeline in the industries of the future, like data center, electric vehicles, and clean energy
- **\$20 million** to the Department of Commerce and Economic Opportunity (DCEO) for Rebuild Illinois Downtowns and Main Streets Capital Program to provide additional community revitalization funding
- **\$40 million** for forgivable loans to launch more social equity cannabis businesses
- **\$10 million** to fund a “one-stop business portal” to foster entrepreneurship
- **\$2 million** for a new Office of Rural Economic Development intended to connect communities and improve access to state and federal aid through outreach or technical assistance from rural navigators.
- **\$2.5 million** to establish an Office of Outdoor Recreation to promote tourism at destinations around the State and grow the outdoor recreation economy of Illinois
- **\$10 million** for a Clean Energy Career and Technical Education Pilot Program **for high schools**
- **\$20 million** to address food insecurity in urban and rural communities through incentivizing the opening of grocery stores and providing grants for equipment upgrades to existing small grocers through the Illinois Grocery Initiative
- Includes **\$30 million** for agriculture programs that improve the availability and accessibility of nutritious, locally sourced foods for Illinoisans in need, including **\$28 million** for a new federally funded Local Food Purchase Cooperative Agreement which will support local, regional and socially disadvantaged farmers and ranchers through the purchase of local foods for distribution to food banks, schools and organizations that reach underserved communities, and **\$2 million** for middle supply-chain infrastructure grants through the federal Resilient Food Systems program.
- **\$20 million** for a Fast-Track Workforce Program intended to provide resources and support to major relocating or expanding employers for employee screening and recruitment, and customized job training development.
- **\$20 million** to provide a state commitment and in-kind contribution to support Illinois entities seeking competitive federal awards that align with the State's economic development plan
- **\$19 million** in additional funding for advertising and promotion of tourism throughout Illinois, nearly doubling the State's investment in domestic and international tourism promotion
- **\$30 million** for new one-time tourism promotion grants at DCEO to support the State's tourism industry

- **\$90 million** in new capital funding for DCEO’s Enterprise Fund Grant Program, which provides competitive funding to attract and retain businesses in Illinois, creating new jobs and capital investment in the State
- **\$55 million** in new capital funding for Prime Sites Program investments, providing grants for large-scale projects making substantial capital investment and job creation commitments
- Takes another step towards phasing out the corporate franchise tax
- Creates the Hydrogen Fuel Replacement Tax Credit Act, providing tax incentives for zero-carbon hydrogen fuel.
- Expands the Angel Investment credit from 25% to 35% if the investment is made in a business venture that is owned by women, people of color, a person with a disability, or in a county with a population of less than 250,000.

Environmental Initiatives

- Funds **\$12 million** in electric vehicle consumer rebates at the Illinois Environmental Protection Agency (IEPA)
- Includes new authority for federal Inflation Reduction Act (IRA) programming for energy efficiency rebates at IEPA totaling **\$267.8 million**
- Reappropriates **\$70 million** from Rebuild Illinois at IEPA for transportation electrification and charging infrastructure statewide
- Continues funding for unsewered communities planning and construction grants for communities around the state
- Includes funding for new Open Space Lands Acquisition and Development grants at Department of Natural Resources (IDNR) at **\$56 million**, providing the largest and most accessible opportunity in the state’s history for distressed communities for the second year in a row
- Includes funding through DNR’s Office of Water Resources to implement projects such as providing the State’s **\$50 million** share for the Brandon Road Ecosystem Project to block invasive carp species from entering the Great Lakes ecosystem, and programs such as a **\$10 million** expansion of the Flood Hazard Mitigation program for new buyouts

Capital and Transportation Funding

The Fiscal Year 2024 capital budget represents a continuation of the historic **Rebuild Illinois** program and other ongoing capital initiatives. Continued use of federal funds will expedite delivery of critical initiatives. Illinois anticipates receiving billions of dollars from the federal **Infrastructure Investment and Jobs Act** (IIJA) to invest in transportation, water, broadband, clean energy and more.

- Includes funding to support IIJA programming, as the State anticipates receiving at least **\$18.0 billion** over five years through federal formula funding; over \$7.2 billion in infrastructure funding has been announced for Illinois investments since IIJA's passage
- Features **\$4.6 billion** for the FY24 Road Program. This includes approximately \$3.4 billion in pay-as-you-go revenue and \$1.2 billion in bond funds.
- Includes **\$300 million** in new funding for the I-290 Blue Line Modernization Project
- Reappropriates **\$100 million** at DCEO for community-driven broadband expansion to help close the digital divide.
- Supports the IIJA lead service line replacement loans at **\$230.2 million**, as well as **\$10 million** in new IEPA funding to provide lead service line inventory and planning grants to communities around the state.
- Reappropriates **\$86 million** in funding for orphaned well plugging from Rebuild Illinois and IIJA
- Provides an increase to RTA Operating Assistance Grants **\$18 million**
- Provides an additional **\$1.5 million** for RTA reduced fares
- Provides an additional **\$5 million** for Amtrak operating assistance for state-supported routes

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