

Latino Policy Forum Response to Governor Pritzker's FY24 Proposed State Budget and 2nd Term Priorities: Improved Economy and Strengthening Education

INTRODUCTION

In his FY24 State of the State and Budget Address on Feb. 15, Governor JB Pritzker laid out a \$49.6 billion dollar plan as one of economic prosperity and fiscal stability.

The Governor's proposed spending includes a \$50 million bump to Temporary Assistance for Needy Families (TANF), \$45 million to upgrade the state Public Health Department's computer systems to monitor future pandemics better, and \$138 million to go toward the state's rainy-day reserve. Pritzker also said that the state's short-term and medium-term liabilities have been eliminated and asked for an additional \$200 million to the pension stabilization fund.

But it was education that headlined the budget proposal, focusing spending primarily on preschool and collegiate education. The Forum applauds a multi-year initiative that, among other things, helps increase childcare workers' pay and adds thousands of preschool slots.

Illinois Latinos continue to face systemic barriers preventing their ability to improve their lives. The impact of COVID on the community persists, exacerbating existing social and economic structures that, if left unattended, will cement inequities. Higher prices for housing, food, and gas are impacting all Americans, but Latinos are significantly affected by the rise in inflation. We appreciate that Illinois is living up to its promise of being a welcoming state in responding to the migrant crisis. This accompanies the essential role the Latino community plays in driving the state's labor force growth as a key contributor to Illinois' economy. The Forum's response elevates critical line items within the proposed budget in education, civic engagement, and health equity that staff will closely monitor in the coming months.

EDUCATION

The education line items are divided into Early childhood, K-12 education, and Post-Secondary sections. The education vision for the Latino Policy Forum affirms that to achieve educational equity for Latinos and English Learners, Illinois must promote programs, investments, and policies that elevate the strengths and diverse language and cultural backgrounds of each and every child from cradle to career.

Early Childhood Education

Governor Pritzker unveiled a multi-year <u>Smart Start plan</u>, investing \$250 Million in FY24 for programs like Preschool, Home Visiting, Child care, and Early Intervention. While the majority of this funding is anticipated to come from the General Revenue Fund (GRF), \$88 M in ARPA will be re-appropriated in FY24 and \$18 M in ARPA will be allocated in FY25. Outlined within the multi-year plan also includes scholarship supports, increased wages for the early childhood workforce and additional supports for parents and caregivers. The Forum celebrates the Governor's commitment to early childhood and his priority for children, families and Providers. Over the long term, Illinois will save taxpayers \$7 for <u>every one dollar invested</u> and will catapult Illinois to national leadership in early childhood development.

Illinois State Board of Education

- **\$75 million** in the Early Childhood Block Grant to increase access to preschool and continued investments in prevention initiative.
 - Smart Start includes a \$75 Million investment in the block grant for 4 years with a goal to serve 80% of all low income 3-4 years olds in half-day preschool, approximately 20,000 additional seats. Investments in FY24 alone will increase access to preschool by 5,000 seats. While the Forum welcomes these robust investments to early childhood, we would like to elevate the important role of full-day preschool in Illinois. The University of Chicago Consortium on School Research study (2021) found that English Learners receiving full-day preschool for up to two years with specialized bilingual support had better attendance, reading and math grades, and test scores, and were more likely to demonstrate English proficiency in the third grade. As the Governor , state agencies, and the General Assembly work together to launch this plan in Illinois, the Forum urges going beyond half day to full-day programming, especially for priority populations like English Learners and children receiving Special Education services.
- \$100 million in new capital funds for early childhood providers to expand on Rebuild Illinois investments. This will double the State's investment in the Early Childhood Construction Grant Program, which was originally funded at \$100 million.
- **\$12 million for scholarships and apprenticeship**, including funding for Early Childhood Access Consortium for Equity (ECACE) Scholarships for tuition, fees and other costs of attendance.

Illinois Department of Human Services

- \$130 million for nation-leading Child Care Workforce Compensation Contracts that will stabilize providers and give child care workers a raise.
 - \$66 M in reappropriated ARPA funding to contribute to total \$130 M allocated for the compensation contracts work.
- **\$50 million increase** to cover an expected increase in Childcare Assistance Program (CCAP) participation and continuation of annual rate increases from fiscal year 2023.
- \$20 million for Child Care Management Services System
- \$40 million increase for Early Intervention within Illinois Department of Human Services (IDHS)
- **\$12 million for scholarships and apprenticeship,** including funding for Early Childhood Access Consortium for Equity (ECACE) Scholarships for tuition, fees and other costs of attendance
- \$5 million increase to IDHS Home Visiting Programs ,such as Healthy Families and Maternal and Child Home visiting services

The Forum looks forward to being thought partners in making this education plan a reality and will work alongside advocates and government leaders to elevate the investments to core early childhood programs within <u>SB289</u> and <u>HB2319</u> led by Leader Lightford and Leader Hernandez.

K-12 Education

Illinois State Board of Education

- \$350 Million increase to the Illinois Evidence-Based Funding Formula (EBF). The Pritzker administration has committed to investing an additional \$4 Billion to EBF over the next 5 years.
 - Over the past five years, Illinois has implemented a successful tool for increased funding to provide high quality education to K-12 students in the state, prioritizing districts with the most need. To date, the state has invested nearly \$1.6 million in new tier funding and drastically reduced the number of severely underfunded schools in Illinois. Forum analysis finds that 70% of Latinos and English Learners in the state are concentrated in the highest need tier 1 and tier 2 districts. Despite this meaningful progress, in FY23 over half of the state's students (more than one million students) are still in districts funded at a level below 75% of full funding.

 We welcome the proposed increase by the Governor, however continue to advocate for an additional \$200M above the Governor's proposed investment (\$550 Million) to ensure Illinois continues to make meaningful progress towards reaching the adequacy goal set forward by the General Assembly.

Higher Education

The Forum celebrates the Governor's commitment for need-based assistance for college. Investments in these critical programs make college more accessible and affordable in addition to expanding opportunities for the Illinois workforce. <u>Illinois' enrollment</u> is ahead of several national trends despite slight overall decreases in undergraduate enrollment, which were negatively affected by the Covid19 pandemic. Nevertheless, Illinois lags in Latinos' degree completion and overall degree attainment According to the <u>2019 American Community Survey</u>, Illinois college attainment was 14% for Latinos, the lowest of all racial/ethnic groups. The proposed investments, however, are a laudable step towards supporting Latino college access and completion.

Illinois Student Assistance Commission

- \$100 Million increase to the Monetary Award Program (MAP) for a total of \$701 Million
 - The investment in MAP grants lowers the cost of tuition and fees for students and can reduce student debt. The proposed funding reflects a historic investment allowing for awards to be offered to all eligible applicants, with a 50 percent increase in funding over the course of four years along with a 75% increase to the MAP program over the last 5 years <u>(Illinois State Budget Fiscal Year, 2024)</u>.
 - As a result of recent investments in the program, ISAC estimates that the proposed increase would raise the maximum MAP grant to \$8,508 and the average MAP grant to \$4,826. More than 95 percent of community college students at or below the median income level would have their tuition and fees covered more than 100 percent through a combination of MAP and Pell funding (Illinois State Budget Fiscal Year, 2024).
- \$2.8 Million increase for the Minority Teachers of Illinois (MTI) Scholarship Program. MTI budget line item is proposed at \$7 M.
 - The proposed increase by the governor aligns with advocacy partners who advocated for an ask of \$7M to fund all eligible applicants. An investment of \$7 Million in MTI in FY24 will grow the state's incoming pool of teachers of color, increasing the number of candidates able to access the scholarship by more than half. This increase to MTI will broaden the opportunity to ensure more eligible aspiring educators of color have access to funding to support their career aspirations.
 - The Minority Teachers of Illinois (MTI) scholarship, which provides grants to minority students who agree to teach in Illinois schools with significant minority student populations, will allow for the program to serve all eligible applicants at the maximum award of \$7,500 per year, estimated to cover 930 students, up from the current 379 students.

CIVIC ENGAGEMENT

Illinois Department of Human Services

Housing

The Forum appreciates Governor JB Pritzker's commitment to prevent and end homelessness with the historic investment of \$350 million in state and federal funding to the HOME Illinois plan, housed at the Department of Human Services (DHS). In his definition of homelessness, the Governor made a noteworthy inclusion of individuals living in doubled-up and overcrowded shared housing. In contrast to unsheltered homelessness, Latinos are more likely to contend with financial distress and housing loss by living <u>doubled-up</u>. As funding for COVID-19 related assistance is exhausted, Home Illinois can provide critical support to keep Latino families stably housed. The Forum is especially appreciative of the following Home Illinois plan budget items:

• \$40 Million for Permanent Supportive Housing

- The proposed investment for permanent supportive housing aims to support development of over 90 new housing units with extension of long-term rental assistance, case management, and supportive services. The scarcity of affordable housing and concomitant economic unattainability presents a challenge for many Latino families in Illinois. This investment is foundational for ensuring equitable access to affordable housing.
- \$26 million to provide homeless prevention services to 5,000 more families
 - Included in the HOME Illinois plan is significant funding to homeless prevention services that will help households in immediate danger of homelessness or individuals who are currently unhoused. The Governor's consideration of living doubled-up is a significant recognition of the hidden type of homelessness that many Latinos experience and most importantly, often precludes them from access to homeless prevention services. While unclear at the moment, the Forum urges the inclusion of families living doubled-up as an eligible population for the proposed investment.
- \$12.5 Million to create 500 new scattered site permanent supportive housing units
 - The investment in 500 new scattered site permanent supportive housing units grants families housing choices and the opportunity to integrate into communities that best fit their needs (e.g. access to better quality schools, close proximity to employers, etc). The Forum welcomes the venture into a scattered site model for permanent supportive housing, but will closely monitor whether long-term rental assistance will also be a component of this investment.

The HOME Illinois plan also directs \$55 million to the Emergency and Transitional Housing Program (ETH), a nearly \$45 million increase, as part of the **\$155 million to support unhoused populations seeking shelter and services** investment. The Forum congratulates the Illinois Shelter Alliance (ISA), a coalition of more than 50 emergency shelter and transitional housing agencies and their advocates, for leading efforts to increase state emergency housing funding.

Immigration

The Forum recognizes Illinois' long history of welcoming and investing in support for new immigrants and their families. Governor Pritzker's administration is no exception to that history. His <u>response</u> to the hundreds of asylum seekers bussed daily primarily from Texas was extraordinary. Still, there are areas that can benefit from more investment to ensure that our practice of being a welcoming state is sustainable. It is important that newly arrived migrants thrive long-term and that community-based organizations (CBOs) are equipped to meet their needs and those of their staff.

As of today, Illinois has served and housed nearly **4,000 asylum seekers** from Central and South America. On the ground, CBOs have worked tirelessly to ensure that migrants receive emergency resources unlocked by the state, such as food, shelter, and medical care. However, with little support from the federal government in expediting work permits and extending parole, CBOs will continue to have to divert resources and seek outside donations. According to CBOs, the ongoing needs of this community include housing assistance, legal services, and mental health care.

- About \$110.7 Million to Illinois Welcoming Centers (IWCs): \$105 million proposed General Revenue allocation, roughly \$3.9 million in ARPA reappropriations, and \$1.6 million in ARPA reappropriations to the United African Organization WC.
 - There are an estimated <u>36 organizations</u> that serve as IWCs providing necessary comprehensive case management to immigrants, refugees, and Limited English Proficient (LEP) individuals throughout Illinois. While the Forum applauds continued funding for WCs, we will work with trusted partners and stakeholders to continue to advocate for more investment. As new migrants arrive and settle across the state, it is important that WC staff are culturally and linguistically prepared to meet their needs. Additionally, WCs have expressed a need for more mental health services.
- \$14 million to Access to Justice (A2J): With Westside Justice Center and The Resurrection Project receiving \$7 million each.

- We support The Resurrection Project's ask for \$25 million for this budget line item. The Resurrection Project's A2J is a state-wide program that seeks to mitigate the devastating consequences of all forms of detention and incarceration and the resulting crippling effects on historically marginalized communities through direct legal representation and legal education. With the number of new arrivals looking to apply for asylum, more funding for holistic community-based legal services will be needed.
- About \$3.1 million for Legal Assistance to Migrants: This funding is ARPA reappropriations.
 - This allocation decreased from last year. The Forum will continue to monitor this line item and specific planning for these funds.
- \$8 million increase to Immigrant Integration Services: The total line item for immigrant integration services is \$38 million.
 - Immigrants and their children need access to programs that facilitate their successful long-term social, economic, and civic integration in the United States and their local communities. The <u>Illinois Coalition for Immigrant and Refugee Rights (ICIRR)</u> houses both the Immigrant Family Resource Program (IFRP) and the New Americans Initiative (NAI), two programs that have been pivotal in providing essential services to vulnerable communities during the COVID-19 pandemic and changes to immigration policy.
 - While we applaud the increase, we strongly support ICIRR's request for at least \$53 million to continue to meet the growing needs of our immigrant community, as well as the needs of new migrant arrivals who make their home in the state. In FY24, \$6 million is required to continue serving 2,000 asylum seekers currently in the care of IDHS.

In addition to the above items, the Forum will continue to advocate for the creation of a **Child Tax Credit** that will provide economic relief to low-income families, including those who file taxes with an ITIN. Additionally, the Forum supports Illinois Unidos, Healthy Illinois, and others in their commitment to **expanding health coverage to individuals ages 19-41 regardless of immigration status**.

HEALTH EQUITY

Illinois Unidos (IU), a statewide coalition of more than 100 Latino healthcare workers, policy advocates, elected officials, and leaders from community-based organizations, including the Latino Policy Forum, formed to mitigate the effect of Covid-19 in April of 2020. And while IU finds the end of both the federal and state Public Health Emergency premature, we are encouraged by the investments proposed by the Governor to increase funding to the Medical Assistance Program, our state's healthcare workforce, Pediatric mental health services, and Public health communications including culturally appropriate messaging to reduce health disparities, and continued funding to the Community Health Worker certification program.

- **\$709 Million increase for the Medical Assistance Program** to compensate for the phase-out of enhanced federal match revenue funds.
- \$8 Million Ready to Renew Campaign to help Medicaid customers maintain their Medicaid coverage or transition to other health insurance.
 - While the number of Medicaid enrollees who may be disenrolled during the unwinding period is highly uncertain, it is estimated that 700,000 Illinoisans will lose coverage. Illinois Unidos is encouraged to see the Governor's proposed investments in the Medical Assistance Program to compensate for the phase-out of enhanced federal match revenue funds as well as the Ready to Renew Medicaid re-enrollment campaign because efforts to conduct outreach, education, and provide enrollment assistance will ensure that those who remain eligible for Medicaid are able to retain coverage.
- **Funds for first-in-the-national healthcare coverage** for older adults (ages 42 through 64) and immigrants via <u>HBIA</u> and <u>HBIS</u> who are not eligible for Medicaid coverage solely due to their immigration status.
 - We congratulate the Healthy Illinois Campaign for making this a reality and thank the Governor and his Administration for enacting HBIA and HBIS; pioneering programs that extend health coverage to low-income Illinoisans who would otherwise be eligible for Medicaid but for immigration status. To date, over 41,000 Illinoisans who previously had no pathway to coverage

have received healthcare services; and our state is stronger and healthier for it. We look forward to working with the Healthy Illinois Campaign and the Governor to close the gap on this innovative health insurance coverage for immigrants aged 19 to 41 in FY 2024.

- \$450 Million to preserve and grow the healthcare workforce focusing on Medicaid providers in underserved areas of the state. To include investments in staff retention and recruitment.
 - Healthcare providers are our heroes and investments proposed by the Governor to grow and sustain healthcare workforce is greatly appreciated. Illinois Unidos will monitor these investments and work to ensure that an equity lens is utilized to ensure investments in Latinoserving healthcare providers serving the multi-lingual and mixed-status immigrant families in our state.
- **\$2 Million to support frontline pediatric care providers** with the training and tools necessary to provide integrated mental health services and treatment.
- \$10 Million to create a Mental Health Hotline Care Portal for referral tools for families seeking care.
 - Illinois Unidos was satisfied to hear of the state's increased investments in mental health care, particularly for our youngest Illinoisans and their families and hopes that all new hotlines made available to Illinoisans are multi-lingual.
- **\$7 Million to improve public health communications** including culturally appropriate messaging to reduce health disparities.
 - The Covid-19 pandemic reminded us of the importance of cultural affirming and ensuring linguistic access in the communication and management of COVID-19 information, resources, and treatment. While more needs to be done, these investments will ensure we better communicate with multilingual speakers in our state as we work to reduce health disparities.
- \$2.5 Million to the Community Health Worker Certification Program.
 - Community Health Workers are vital bridges between health services and communities, uniquely positioned to extend care to poor, hard-to-reach, and underserved groups that fall beyond the reach of institution-based services. Certification programs ensure employment mobility and provide a pathway for further education, Illinois Unidos leveraged the expertise and trusting relationships of Latinx community health workers with training and other credentialing and networking supports during the pandemic. Community Health Workers played a pivotal role in fighting the pandemic in the Latino community. Promoters were able to manage outbreaks and prevent the spread of COVID-19 via Spanish and culturally appropriate health education, outreach, and connections to local community health clinics and federally qualified health centers.

CONCLUSION

In his speech, Gov. Pritzker stressed that one of his top priorities is to protect the state's most vulnerable. Ensuring that the Latino community recovers from the socioeconomic impact of COVID, compounded by the threat of a recession, requires implementing and evaluating all policies and resource allocations through an equity lens.

Were it not for Latinos, Illinois' population and workforce would have contracted. Yes, we are a long way from the , the community fully benefiting from the prosperity that it is creating.

Two key themes dominate the work of the Forum throughout the year: economic mobility and building equitable pathways for Latinos. As the budget negotiations get underway in the legislature, the Forum and Illinois Unidos pledge to continue to monitor each of the proposed measures above and to work with Illinois General Assembly members on each of these issue areas to ensure that the state's budget is inclusive of the needs of the Latino community.

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