



OFFICE OF GOVERNOR PAT QUINN
STATE OF THE STATE 2012

**State of the State:
Moving Illinois Forward
February 1, 2012**
REMARKS AS PREPARED

President Cullerton, Speaker Madigan, Leaders Radogno and Cross, Attorney General Madigan, Secretary White, Comptroller Topinka, Treasurer Rutherford, Members of the General Assembly, distinguished guests and fellow citizens of Illinois, I'm here today to report to you on the state of our state.

But before I begin, I know I speak for all of Illinois in wishing our Senator Mark Kirk a speedy recovery. We're all pulling for you, Mark.

And I also know I speak for all of Illinois and all of America in thanking our servicemembers in every branch of service who have volunteered to protect our democracy.

We're here today because of you.

We are especially proud of the servicemembers of our Illinois National Guard. In the early morning last December 18, a convoy of the Illinois National Guard's 1644th transportation company led by their commander Captain Michael Barton, crossed the desert of Southern Iraq into Kuwait.

Their unit had made 73 dangerous convoy trips between Kuwait and Iraq.

They drove nearly 4 million miles. Their convoy was one of the very last to leave Iraq. The war was over.

And today, Captain Barton's wife Kelli, and their daughter Myleigh are with us.

On behalf of a grateful nation and a grateful state, thank you Kelli, thank you Myleigh, thank you Captain Barton and thank you servicemembers of the Illinois National Guard.

You are our heroes.

I'm very proud to be the Commander in Chief of the Illinois National Guard and I'm proud to be governor of Illinois.

Almost exactly three years ago to this day, I took the oath of office at this podium during one of the darkest moments in Illinois' history.

One former governor was in jail. Another was under arrest, impeached and removed from office.

Both my predecessors had disgraced themselves and brought profound embarrassment to the people of our state.



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At the same time, our entire nation was in the throes of a massive economic crisis, caused by disgraceful conduct and greed on Wall Street.

Our large and small businesses were reeling.

Our automakers were in dire straits.

Across Illinois, families were losing their jobs, losing their homes, watching their savings disappear.

We were off course and adrift, lacking leadership, and weighed down by a culture of corruption.

On the day I became Governor three years ago, I promised to restore integrity to Illinois government.

And we have.

Through tough new ethics laws, campaign finance reform, and establishing the ability to recall a corrupt governor, we have made Illinois a more ethical state.

But we didn't stop there. By legalizing civil unions, by raising the standards of nursing home care, by abolishing the death penalty and by protecting the funerals of our military men and women who gave their last full measure of devotion to our democracy, we have made Illinois a better state.

All the while, we have helped everyday people by building and growing Illinois.

We have invested in our state, making it a better place to do business.

And we have invested in the people of Illinois, helping our working families and improving education.

The results are in from major export growth and the largest public works construction program in state history to solid gains in education.

We're back on course - Illinois is moving forward.

Now we all know that the economic storm is far from over. While we have downsized Illinois government more than ever before, we continue to face very difficult decisions to restore financial stability to our state.

Suffice it to say, we must have Medicaid reform and public pension reform in the coming year.

We took the first step on pension reform in 2010 when we enacted landmark changes that will save taxpayers billions of dollars.

But there's much more to do.

Fixing the pension problem will not be easy, but we have no choice.



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We must do it together in a way that is meaningful, constitutional, and fair to the employees who have faithfully contributed to the system.

That's why I've assembled a pension working group to propose a solution that can be enacted this year.

I will have more to say about these serious matters during my budget address three weeks from today.

But we must always remember that strong economic growth is essential to resolving our fiscal challenges.

Cuts alone will not get us to a better budget. We must build and grow our Illinois economy like never before to keep Illinois moving forward.

In the past three years, we've worked together to strengthen our economy and make Illinois a better place to do business.

We've reformed our workers' compensation system. The reforms we put in place will protect the safety of our workers and save Illinois businesses at least a half billion dollars every year.

We've also reformed our unemployment insurance system. We've preserved benefits for unemployed workers while saving businesses \$400 million dollars.

We've cut red tape for employers that need environmental permits.

And we've worked with our union partners to overhaul workplace rules at McCormick Place to lower the cost of conventions.

Already, new conventions are picking Illinois and putting our people to work.

Each of these landmark reforms shows the power of bringing everyone to the table to repair broken systems.

That's moving forward.

But we've not just made Illinois a better place to do business, we've also invested in our public works – our highways, our bridges, our railroads and our schools – to make Illinois stronger.

We've created good-paying jobs while laying the foundation for future growth.

Thanks to our *Illinois Jobs Now!* plan, Illinois has the largest capital construction program in our history.

Over the past three years, we have been building, repairing, and modernizing.

Every day, you see the fruits of our labor... all across Illinois.



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We have improved 5,948 miles of highways and 842 bridges.

In southern Illinois, we're building new lanes on Route 13.

In Rockford, we're building a new Morgan Street Bridge.

And in East Peoria, we're building Technology Boulevard.

We've also built and renovated more than 400 schools from Western Illinois University's new riverfront campus in Moline to the new Transportation Education Center at SIU in Carbondale and from the repurposed Cole Hall at Northern Illinois University in DeKalb to the new electrical and computer engineering building at the University of Illinois in Urbana-Champaign.

We've also invested in more than 40 public transportation projects.

We're working with Chicago Mayor Rahm Emanuel to rebuild the CTA's Red Line. We're working with Rockford Mayor Larry Morrissey to build new passenger rail from Chicago to Rockford. We're working with elected officials in the South Suburbs and Will County to build a new airport.

And we're building high-speed rail from Chicago to St. Louis and a new bridge across the Mississippi River.

All these projects and many more have created thousands of jobs.

Thank you to the men and women of Illinois who are doing this hard work.

Here in Illinois, unlike other states in the Midwest, we believe in the right of working people to organize.

Your hard work is why Illinois is moving forward.

Speaking of hard work, I would like to salute Secretary of State Jesse White. For the first time in history, we kept fatalities on Illinois highways below 1,000 for three consecutive years.

Thank you Secretary White for your commitment to highway safety and saving lives.

Now, we all know that automobiles are essential to the success of the Illinois economy.

Our automakers and their suppliers are thriving today because state government has helped meet their needs.

Three years ago, the Ford plant on the South Side of Chicago had only one shift.

In 2010, Ford added a second shift and now they have started to hire for a third shift. Thank you, Ford.



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Tomorrow I'm traveling to the Chrysler plant in Belvidere to announce the creation of hundreds of new jobs to manufacture the new, 21st century Dodge Dart. That's moving forward. Thank you, Chrysler.

The reason that Ford and Chrysler are creating new jobs here is because of our skilled workforce.

Illinois is not only a land of skilled workers. It's also a land of creative entrepreneurs.

People like Karrie Gibson and her company, Vintage Tech Recyclers in Romeoville.

Our investment helped Karrie grow her recycling technology business from 1 person to 77 employees.

Thank you, Karrie.

Illinois is also a land of technology. We're in the process of laying 4,100 miles of new broadband fiber optic cable to light up 5,000 of our schools, libraries, businesses and hospitals with world-class information networks.

We started Illinois' first venture fund to encourage investors to jump into cutting-edge technologies.

We've renewed the Research and Development Tax Credit, which helps businesses bring new ideas to market.

And our Innovation Council launched an Open Data Initiative which has made more than 5,200 Illinois data sets available online.

We're going to lead the nation in putting more public data online – in one place – from communities and universities across the state.

Already, young innovators like Touré McClusky and Elizabeth Park have designed smart phone apps using our data to help everyday people.

That's moving forward.

Thank you, Touré and thank you, Elizabeth.

We're going to continue to think big in Illinois.

Today, I'm announcing a \$2.3 million dollar investment in "1871," a new technology center at the Merchandise Mart in Chicago to foster and launch digital start-ups.

Today, I'm also announcing a \$6 million dollar statewide competition to build ultra-high speed broadband in neighborhoods across Illinois.

Through this challenge, we want our neighborhoods to become Gigabit communities with Internet connections more than 100 times faster than today!



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Our goal is to build smart communities that will foster the job engines of the future.

Illinois is already a leader in green technology.

We lead the nation in operating wind turbines with 404 and growing.

We're also working with Argonne National Laboratory, the University of Illinois, the University of Chicago and Northwestern University, to develop the next generation of energy efficient batteries.

Even as we've fostered innovation and the industries of the future, we've also increased export opportunities for Illinois businesses to move their goods to new global markets.

The Illinois economy is the 18th largest in the world – and our state has tremendous potential to grow a whole lot more.

We have aggressively pursued export opportunities, from our mighty agriculture to our mighty manufacturing.

A quarter of our soybean crop is sold to just one country – China.

Illinois farmers are feeding China's new middle class.

Our manufacturers like John Deere in the Quad Cities and Caterpillar in Peoria had outstanding years.

Caterpillar's increase in sales and revenue last year was record-breaking, the largest percentage increase in the last 64 years.

And a lot of it was driven by foreign demand for Caterpillar products made by Illinois workers.

More exports to more foreign markets means more jobs for more Illinois workers.

Our exports have jumped 30 percent this year – almost double the national average.

And today, to strengthen that growth, we are announcing an Export Advisory Council made up of private sector leaders and chaired by Navistar CEO Dan Ustian.

This Council will help us reach our goal of doubling our exports by 2014.

Navistar has recently added more than 500 new jobs – and it employed more than 2,000 union construction workers to renovate its new corporate headquarters in Lisle.

Since 2010, employers like Navistar have added almost 100,000 jobs to our economy.

Illinois businesses have created almost 20,000 manufacturing jobs during this time.



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US News & World Report placed Illinois in the top 5 “business friendly” states that are gaining businesses.

CareerBuilder ranked Illinois as one of the top ten states to find a job.

And last year Money Magazine rated Illinois as the top state for making a living.

Now that is moving forward.

And definitely, in an age of big bureaucracy, big corporations and big money, we can’t overlook the millions of Illinois consumers who need advocates to look out for them.

I want to thank Attorney General Lisa Madigan for joining me in our never-ending battle to protect Illinois consumers. Thank you, Lisa.

We all believe in fighting for the moms and dads and children of Illinois.

That’s why for the first time in a decade, we significantly increased tax relief for working families.

Thank you Rep. Barbara Flynn Currie, Rep. John Bradley, Rep. David Harris and Sen. Toi Hutchinson.

By doubling the Illinois Earned Income Tax Credit and improving the personal exemption, we are providing targeted tax relief to a million working families and their children.

People like Rhonda Jones. Rhonda is a single mom who is raising five children on the South Side of Chicago.

She works as a public high school counselor for a modest salary.

She knows what it’s like to live from paycheck to paycheck.

Year after year, the federal and state Earned Income Tax Credit has been her saving grace.

She uses that extra money to help pay bills and support her kids through school. Three of her children are now in college – and two more are on the way.

Thank you, Rhonda.

From the moment I took office, my goal has been to advance education for everyone.

So we passed landmark education laws that are a model for the nation.

Laws that improve school report cards so that parents have more information about the schools that educate their kids.

Laws that set clear benchmarks for teacher evaluation and put performance above tenure.



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And laws that lay the groundwork for a longer school day and a longer school year.

Our education reforms put the children of Illinois first.

That's moving forward.

So, thank you to Sen. Kim Lightford, Rep. Linda Chapa La Via, and the many others who helped lead this effort.

We also took a big step forward by passing the Illinois DREAM Act to help high school graduates from immigrant families.

In the years to come, more kids will go to college.

More kids will chase their dreams.

More kids will grow up to be Illinois residents who work hard and contribute to society because of the DREAM Act.

We all have a stake in the future of Illinois. Indeed, we are custodians of that future.

We owe it to the next generation to continue our progress of the past three years.

To create jobs and grow our economy, we must continue to invest in Illinois and help everyday people.

With this in mind, I am proposing the Illinois Jobs Agenda for 2012 so we can build and grow our economy today and tomorrow.

The Illinois Jobs Agenda includes three targeted tax cuts that will build and grow our economy by helping our employers, our working families, and our veterans.

First, I propose that we permanently abolish the natural gas utility tax in Illinois.

This tax is an unfair, regressive tax that is not based on the ability to pay.

Regardless of income or whether or not you're making a profit, you pay this tax.

By abolishing it entirely, we can provide targeted tax relief to both consumers and businesses.

The elimination of this tax will save money for households and cut costs for employers across Illinois.

Illinois will be the only state in the Midwest without a natural gas utility tax on manufacturers, retailers and everyday families.

In addition, we need to establish a Child Tax Credit in Illinois for parents raising children.



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There's no more important mission in life than raising a child.

Investing in our families is good for Illinois.

The Illinois Child Tax Credit will provide \$100 of direct tax relief every year to the typical family of four.

This targeted tax relief will stimulate consumer demand, which is 70 percent of our economy.

And it will create jobs for our local merchants.

Finally, we must adopt a tax credit that helps our veterans find employment.

Unemployment for young returning veterans in our country is 30%.

That's shameful.

Our military men and women are heroes who have served our country and they deserve our everlasting gratitude.

Veterans are committed, disciplined, and experienced.

They know leadership, and how to accomplish a mission.

We need these heroes in our workplaces!

So today I propose a Hiring Veterans Tax Credit.

We will provide a significant tax credit for every unemployed veteran of Iraq and Afghanistan that a company hires.

This tax credit will help businesses create jobs.

And it will give those jobs to the veterans who have sacrificed so much in serving our state and our country.

The Illinois Jobs Agenda for 2012 will also move Illinois forward by investing in education.

The best economic tool a state can have is a strong, innovative education system.

Jobs follow brainpower.

So I want to thank Lieutenant Governor Sheila Simon for doing an outstanding job on her community colleges report.

Having visited all of Illinois' 48 community colleges, Sheila has proposed many good reforms that need to be implemented in the coming year.



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Sheila and I have a mission in Illinois – by 2025, we want at least 60 percent of adults in our state to have a college degree, an associate degree or a career certificate.

Right now, we're at 43 percent - better than the national average, but not good enough.

If we want 60 percent of Illinois adults to have a meaningful career certificate or degree by 2025, we must invest in our students from birth to higher education.

That starts with investing more dollars in Early Childhood Education.

Learning begins at birth and those first years of a child's life are the most important.

Our youngest and most vulnerable citizens need our strongest support.

Research has shown that without an early learning foundation, children fall behind in school.

Illinois, we can't leave our youngest behind.

That's why I'm calling for a major investment in early childhood education this year.

Last week, President Obama called for states to raise the minimum attendance age of students in schools to 18.

President Obama, we hear you in Illinois.

We know how important it is to do everything possible to keep our kids in school to earn that diploma.

And that's why we must answer the President's call. We must raise the minimum school attendance age to 18 and we must work together this session to do it.

Now, at a time when student loan debt is more than credit card debt, too many deserving students don't have access to higher education.

While nearly 150,000 Illinois students received state MAP scholarships last year to attend college, just as many qualified applicants were denied because of lack of funding.

So today I ask the members of the General Assembly to invest in our students.

I urge you to act in the coming year to make a significant investment in more state MAP scholarships to help our bright young students attend college.

We cannot leave our high school graduates unprepared to compete for the jobs of the future.

But our students won't be prepared for college and 21st century jobs if we don't educate them in 21st century schools.



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So I also call today for a major investment in our classrooms.

This investment will create jobs now as we upgrade classrooms with modern labs, smart technology, digital books, high-speed Internet access, and 21st century efficiency.

These investments in our students will keep Illinois moving forward.

The Illinois Jobs Agenda for 2012 also includes a commitment to affordable housing, which is vital to our economic recovery.

While we've helped thousands of families stay in their homes and find affordable housing, we must do more.

So today, we're launching the Illinois Foreclosure Prevention Network to connect struggling homeowners with every resource available, from counseling to legal assistance to mortgage relief.

Also, in the coming week, I'll join with Cook County Board President Toni Preckwinkle to announce a major housing initiative that will help return vacant properties to good use.

That will move us forward.

Finally, we must move forward on clean water.

Clean Water is the lifeblood of our people and our communities.

Illinois is blessed with abundant water from Lake Michigan, to the Illinois River, to the Mighty Mississippi.

But many Illinois residents are living with aging water mains that are nearly 100 years old.

And scores of wastewater treatment facilities are in dire need of repair.

The Illinois Jobs Agenda for 2012 will put thousands of people to work replacing broken water mains, building treatment plants, upgrading sewers, and cleaning up environmental threats.

Working with mayors from Chicago and the suburbs to every part of downstate, we must invest in our Clean Water Initiative.

Members of the General Assembly, the Illinois Jobs Agenda for 2012 is a comprehensive jobs initiative for the people of our state.

To create jobs and grow the economy, we must enact targeted tax relief for Illinois employers, families and veterans.

We must invest in college scholarships, early childhood education, and 21st century schools.

We must invest in affordable housing for our residents and clean water for our communities.



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I look forward to working with you to find the proper funding to meet these urgent needs.

By investing in Illinois and investing in our people, we are building and growing our economy.

We are moving Illinois forward.

No reform is easy.

Reforming our Medicaid and our public pension systems will require political courage.

By the same token, no major investment is easy.

Moving forward on the vision that I have laid out today will require true partnership.

We have real challenges to tackle.

Like all of you, I recognize the severity of our fiscal situation.

But cuts alone will not resolve this situation.

We must build and grow our economy.

Now is not the time to pull back, to abandon our children, our parents, and the unemployed among us.

Their well-being is our common cause.

And our commitment to them requires that we join as partners to invest in our state and in our people.

I am proud of what we accomplished together these last three years.

Abraham Lincoln once said, "I like to see a man proud of the place in which he lives. I like to see a man live so that his place will be proud of him."

After three years of hard work and tough decisions, Illinois is back on course.

Illinois is moving forward.

And Illinois is a place that we can be proud to claim as our own.

I look forward to working with you in the coming year to make the people of Illinois even prouder of our state.

Together, we can make the will of the people the law of the land.

Thank you very much.