

Competitive and Compassionate

An Interview with
The Honorable Bruce Rauner, Governor of Illinois

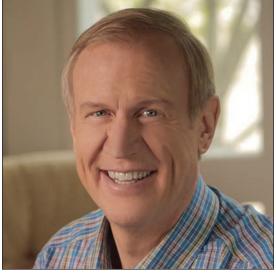
EDITORS' NOTE Bruce Rauner was sworn in as the 42nd Governor of Illinois on January 12, 2015. He was born in Illinois and is a self-made businessman who had no inheritance or family wealth. He worked while he attended Dartmouth College, where he graduated with top honors. He went on to earn an M.B.A. from Harvard. In 1981, Rauner began working at then start-up investment company Golder, Thoma, Cressey (later GTCR). As one of its earliest partners, he helped build the firm into one of the most successful and respected businesses in Illinois. Rauner has reinvested much of his success into the state he loves through supporting education, the YMCA, local hospitals, and community organizations. His greatest passion is education.

You assumed office during a challenging financial time for Illinois. Would you discuss your efforts in putting the state back on the road to fiscal stability?

Illinois is at the end of the road. We are at the cliff. We have to make big moves to fundamentally change the way Illinois does business or the current policies of the past will push us over the cliff and leave us in a place we will never recover from. My efforts are designed around empowering local governments and the people of our state to control their fates. I put forth a bold turnaround plan of more than 40 points, which I've whittled down to five: workers' comp reform, tort reform, a property tax freeze, redistricting reform, and term limits. These reforms will help us make government more efficient by freeing up resources within state government. We need to make sure government works for the people of Illinois instead of the government insiders, because it belongs to the people. Our reforms also work to empower local voters and give communities more local control, which will give them the ability to control costs. Springfield shouldn't be dictating how they spend their money; they should be deciding for themselves.

You have spoken about your vision to "ensure Illinois becomes the most compassionate and competitive state in the nation." What do you mean by competitive and compassionate and how are they related?

Illinois ranks 48th in job creation. Only two states have a more hostile business environment than us, and it's killing our economy. Businesses know they will be treated



The Hon. Bruce Rauner

better if they leave Illinois. They look across the border to Indiana, Wisconsin, and Iowa and see better business climates that will help them grow. We cannot blame them for closing up shop and moving to neighboring states, so we must start to look at how Illinois can compete with those states for jobs and business. We need to not only retain the companies we have but attract new businesses, because with every business we lose, we also lose jobs, population, and revenue. Becoming competitive again is imperative to Illinois' future so we can grow the economy. If we can attract economic investment and innovation to Illinois, we can begin to get ourselves back on solid financial footing. The reforms in the Turnaround Agenda will make Illinois more pro-growth and will free up resources within state government, which will help us serve the most vulnerable while giving taxpayers a better value for their taxes. These changes will help Illinois become the most competitive and compassionate state in the nation.

Would you highlight your plan for creating jobs in Illinois and building a jobs-friendly climate in the state?

We need to reform our current policies that are crippling our business climate and chasing away investment. Illinois' property taxes are the second highest in the country, which are unsustainable and suffocating to small businesses and middle-class families. My

proposal would be to freeze property taxes for two years while giving local governments the tools they need to control costs. Illinois also has some of the highest workers' compensation rates in the country. It's one of the most common things I hear from businesses across the state - we need to do something about workers' comp. The reforms done in 2011 did not go far enough, and our proposal will bring us in line with neighboring states so we can compete for jobs. We also need to reform our lawsuit climate to even the playing field for citizens and businesses. These things keep businesses from even considering Illinois and provide businesses already here a reason to leave. We have to make Illinois a place that rewards investment and economic

What steps are you taking to improve education in Illinois and to reform K-12 education?

Education is the most important thing we do as a community, and I am committed to ensuring that all children in Illinois have access to high quality educational options from cradle to career. This year, I signed an education budget that increases K-12 funding by \$244 million and increases early childhood programs by \$25 million, though I wanted to increase funding even more. We need to invest in our children because they are the future of our state. In the next year, I want to work with the legislature to restructure our education funding system to make sure that every dollar possible makes it to the classroom. On average, only 50 percent of school funding is used on resources for student instruction. Illinois schools are blocked from efficiency due to excessive bureaucracy and red tape. I also want to expand school choice to make sure every student has access to a world-class education and the opportunities they deserve.

How critical is a strong public/private partnership in Illinois and would you highlight your working relationship with the business community?

We need to have a strong working relationship with the business community of Illinois, and we have to facilitate a good business climate to keep them here and attract new members. I've been a member of that community for more than 30 years, and I'm drawing on that experience to restore the

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business community's faith in Illinois. One of the ways we can do that is by creating a new, private economic development organization similar to surrounding states. It can serve as a liaison between the public and private sector to create new relationships and strengthen existing ones. This entity will allow Illinois to better compete with neighboring states while offering businesses more efficient resources. Without a strong private/public partnership, Illinois will continue to struggle to compete with its neighbors.

As you look to attract new industries and businesses to Illinois, how do you define the Illinois advantage?

Illinois has so much to offer – we have the best workforce and the best strategic location in the country. Our infrastructure connects us with the rest of the United States efficiently, and Chicago is a financial hub. We have a skilled and dedicated workforce, and some of the top public and private universities in the world. There is so much to offer in Illinois. There is no better combination of diversity, location, and human capital in this country.

With so much gridlock and partisanship in Washington D.C., what do you see as the key ingredients in getting action and achieving results?

An open mind to change and a willingness to accept the best idea, even if it's not one's own. We didn't get into this mess because of the policies of one party, and we can learn from each other's mistakes. The worst thing we can do is allow broken and failed policies to continue to lead us down the wrong path. I am trying to reverse that death spiral with comprehensive reforms that will grow our economy. We have to turnaround Illinois.

What attracted you to public service?

Illinois is my home. It's where I was born, the place I grew up, the place I raised my children, and the place I built my businesses. As I watched what was happening with my state, I knew that something needed to be done. I knew someone needed to get involved to turnaround Illinois. My choice to run for Governor was about saving the home that I love. I'm working hard to make that happen, to ensure it's the best state in the country for me, my children, and the future generations of Illinois. •



Illinois Republican Bruce Rauner celebrates his win over Democratic Gov. Pat Quinn in Chicago in November of 2014.