

INVESTING IN EDUCATION IS THE KEY TO A VIBRANT STATE ECONOMY

- In the United States, median weekly earnings are 65% higher for workers with bachelor's degrees than those with high school diplomas—and workers with high school diplomas earn 29% more than those without.
- An extra year of education increases an individual's earnings by as much as 10%.
- A 10% increase in spending on public education boosts students' future wages by 7%, reduces poverty by 4%, and improves high school graduation rates by 7%.
- ILEPI has found that a 10% increase in the share of a state's population with bachelor's degrees increases the employment rate by 8%.
- ILEPI has found that a 10% increase in the share of a county's Black residents with bachelor's degrees is statistically associated with a 5% decrease in its Black unemployment rate.

ILEPI FINDINGS ON THE INCOMES OF PRE-K THROUGH 12 PUBLIC SCHOOL TEACHERS

- Full-time pre-K through 12 public school teachers in Illinois are highly educated, with 97% having bachelor's degrees and 63% holding master's degrees or higher.
- Full-time pre-K through 12 public school teachers in Illinois earned an average of \$66,800 per year from 2019 through 2021, 10% less than the average for full-time private and nonprofit sector workers (\$74,600 per year)—despite only 42% of those workers having bachelor's degrees and 15% having master's degrees or higher.
- On average, full-time public school teachers earn 28% less than other full-time private and nonprofit sector workers with bachelor's degrees only (\$92,500 per year) and 44% less than other full-time private and nonprofit sector workers with master's degrees (\$119,400 per year).
- Investing in the future of Illinois means investing in students, and investing in students means investing in high-quality public school teachers who are paid competitive salaries.

ILEPI FINDINGS ON FACTORS THAT IMPACT STUDENT TEST SCORES IN ILLINOIS

- A 10% increase in district funding adequacy improves student test score proficiency by 1%.
- A 10% increase in a teacher retention improves student test score proficiency by 2%.
- A 10% increase in a teacher attendance improves student test score proficiency by 1%.
- A 10% increase in teachers with master's degrees improves student test score proficiency by 2%.
- Student test score proficiency is lower in consolidated school districts.
- Paying market-competitive salaries can address the teacher shortage and improve student performance: A 10% increase in teacher pay is linked with a 6% improvement in the teacher retention rate, which raises test scores.

ILEPI FINDINGS ON HIGHER EDUCATION IN ILLINOIS

- Public universities and community colleges support 124,000 total jobs, boost the economy by \$16 billion per year, and are economic anchors in local communities—particularly outside of the Chicago area.
- The 2015 to 2017 budget impasse had negative and lasting consequences, causing tuition increases, enrollment declines, job losses, and economic contractions across the entire state.
- A tuition-free program for all students enrolled full-time at community colleges regardless of income could cost the State of Illinois less than \$600 million per year.

A well-educated workforce builds the foundation for broad-based economic prosperity. Investing in education is the most effective public policy tool at boosting employment and growing the economy. Illinois should fully fund the Evidence-Based Funding Model and include inflationary adjustments to meet the policy's goals in the next 15 years while reducing the overreliance on local property taxes. At the same time, Illinois should work to make public universities more affordable and make two-year community colleges tuition-free to retain college-ready students from in-state.

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Focus Area
Education policy