



ALLIANCE LEGISLATIVE REPORT (95-31)

OPERATING BUDGET GOES TO GOVERNOR

The Illinois House of Representatives today concurred with the budget amendment approved by the Senate Thursday night. The bill contains appropriations for the entire State for Fiscal Year 2008. **HB 3866** will now be sent to the Governor for consideration. Governor Blagojevich is expected to veto the legislation.

The education budget line items listed in the last Alliance Legislative Report (95-30) were unchanged and still stand in the budget approved today (approximately \$600 million over the FY '07 education funding level and a \$400 increase in the per pupil foundation level). You can access that report at: www.iasb.com/govrel/alr9530.cfm. The Senate budget “add-ons” that were highlighted in the last legislative report are not included in the budget as they were tied to revenue from a gaming bill that has not yet passed. Likewise, no school construction program was included in the budget that has been approved.

The Senate has adjourned for the weekend and is planning to return to Springfield on Monday. House Speaker Michael Madigan has told his members to go home “and don’t come back to Springfield” until they hear from his office. Even though the Governor has called special sessions for Saturday and Sunday to work on a temporary budget, House members are not required to attend as they have already approved a full-year budget. It is unclear when the Governor will act on the budget bill and what action he might take. He could sign the bill into law (highly unlikely), issue a total veto, issue an amendatory veto, issue a line item veto, or do nothing. Once action is taken, legislators will be summoned back to the Capitol.

Until action is taken by the Governor, there is still no State budget in place and therefore no spending authority to issue any State payments, according to State Comptroller Dan Hynes. Unless given specific authority to make payments – either by court order or by the enactment of a budget – the Comptroller’s office will not be issuing checks to school districts for the first August school aid payment. A court today ordered the Comptroller to make payments to state employees and those payroll checks will now be processed.

PROPERTY TAX RELIEF BILL APPROVED

As reported in the last Alliance Legislative Report (95-30), **HB 664 (Currie, D-Chicago)** would expand several property tax relief provisions that would erode the tax base of school districts. The bill was approved Friday by the House of Representatives (100-6) and will be sent to the Governor for consideration.

DEADLINE FOR SCHOOL CONSTRUCTION DOLLARS LOOMS

SB 241 (Trotter, D-Chicago) provides \$150 Million in supplemental appropriations for the 24 schools that have been awaiting matching funds for school construction purposes. The bill was sent to the Governor on June 14, 2007. The Governor’s deadline for action is next week. His options include an outright veto, amendatory veto, signing or refusal to act that would result in the bill becoming law. There have been questions about how the funds would be disbursed given that the appropriation would come from Fiscal Year 2007. The state is currently in the “lapse period” for spending from FY ‘07 funds and therefore these payments would need to be made by the comptroller before August 31, 2007.

NEW SCHOOL CONSTRUCTION BILL DEFEATED

As reported in the last Alliance Legislative Report (95-30), the House was considering a bill that would establish a new school construction program, subject to appropriation, for severely overcrowded schools. The program would have provided competition with the current School Construction Grant Program and would have likely seen a vast majority of the funds flow to Chicago. **SB 48 (Sandoval, D-Chicago)** was defeated today on the House floor.

Alliance Legislative Reports:
Bill Text/Status: Illinois General Assembly

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