

ALLIANCE LEGISLATIVE REPORT (99-24)

LIKELY TO LEAVE UNFINISHED BUSINESS

Governor Bruce Rauner and the Democrat leadership in the Illinois General Assembly are headed for a show down of sorts, but it will likely not occur before the scheduled session adjournment date of May 31. As mentioned in the

last Alliance Legislative Report, Senate committees had defeated three bills Wednesday containing the Governor's legislative agenda. The Governor has been steadfast in his position that he would not discuss the Fiscal Year 2016 budget, or at least any new revenues for next year's budget, until Democrat leaders come to the table to reach agreement on his "Turnaround Agenda". However, Democrats in the Senate and House of Representatives this week passed a series of appropriations bills which would make up the FY 2016 State budget, without Republican input.

So after the Wednesday committees it looked like a nasty standoff would occur between Democrat leadership and the Governor. However, after a meeting among the four legislative leaders and the Governor on Friday, there were some reports of a glimpse of optimism. It is expected that **House Speaker Michael Madigan** and **Senate President John Cullerton** will continue to meet with Governor Rauner on the sticking points which are, generally, property tax relief and workers' compensation law reform. Though the Governor is pushing for a compromise before the scheduled adjournment Sunday, the Democrat leaders have stated that such talks will resume in June. Both the House and Senate will be in session Sunday, but are poised to adjourn by late in the afternoon.

Rank and file lawmakers will likely be sent back home to their districts while legislative leaders return to Springfield to meet with the Governor.

THE BUDGET

The budget package was crafted by Democrats in each chamber with no input from the Governor or Republican legislators. This, of course, will likely not be the final version of next year's budget. In fact, Democrat leadership in both chambers used a parliamentary maneuver which will allow the legislature to "put a hold" on the bills and not send them to the Governor until the hold is lifted.

In the debate of almost every budget bill on the chamber floors, Republicans made their claim that the budget being passed spends nearly \$36 billion when estimated State revenues for FY 2016 only amount to \$32 billion.

Democrat members state that this is just the spending side of the budget and that discussions will begin on the revenue side of the equation. The bulk of the nearly \$4 billion budget deficit stems from the roll back of State income tax rates that took effect on January 1. The ensuing discussions among the Governor and the leaders will likely yield – at some point – approval of a version of the Governor's initiatives and increased revenue that will fall somewhere between the \$32 billion and \$36 billion mark. Higher income tax rates and a broader sales tax base could be part of the mix.

EDUCATION APPROPRIATIONS

For K-12 education, appropriations are contained in two bills: HB 4151 and HB 3763. Between the two bills, elementary and secondary education would see an overall increase in funding of about \$240

million over FY 2015 funding levels. Approximately \$206 million would be allocated for General State Aid which would result in a proration level of 92%. An additional \$85 million would be available for distribution to the neediest of school districts through a supplemental grant to entities that receive General State Aid to limit the loss per student due to proration. The grant would be paid based on the districts with the greatest loss per student.

NEW CIVICS MANDATE APPROVED

The Senate Saturday approved a new mandate that will add to high school graduation requirements. **HB 4025 (Conroy, D-Downers Grove)** adds to high school graduation requirements at least one semester of civics education which must be separate and apart from United States History and American Government courses. The Alliance opposed the bill.

HB 4025 was approved by the House of Representatives last month and was defeated once in the Senate Education Committee. But on a second try by the Senate sponsor, the bill was approved by the Committee two weeks ago. The Senate floor vote was 46-7-2.

The bill will be sent to the Governor for his consideration. Complete background on the bill is available at: <u>http://www.iasb.com/govrel/hb4025civicstalkingpoints.pdf</u>

This legislative report was written and edited by the lobbyists of the Illinois Association of School Boards to provide information to the members of the organizations that comprise the Statewide School Management Alliance.

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