



ALLIANCE LEGISLATIVE REPORT (99-28)

GOVERNOR SIGNS EDUCATION BUDGET

Governor Bruce Rauner signed into law Wednesday the bill that contains the education portion of the Fiscal Year 2016 State budget. **HB 3763** increases K-12 education funding by \$240 million over FY 2015 levels, with \$206 million going to General State Aid (GSA) resulting in a 92% proration. An additional \$85 million would be available for distribution to the neediest of school districts through a supplemental grant to entities that receive GSA to limit the loss per student due to proration. The grant would be paid based on the districts with the greatest loss per student. Early Childhood Education gains approximately \$25 million over current funding levels under the bill.

The legislature approved, with only Democrat votes, a series of appropriations bills in May that crafted an FY 2016 State budget. The Governor and Republican lawmakers opposed the budget package because it proposes to spend billions more than expected revenues. As the legislative session has now spilled into June, legislative leaders and the Governor still have not compromised on a budget solution so today's signing of the education bill caught many by surprise.

Governor Rauner is still pushing for employment law reforms and a property tax freeze and has held firm to his plan not to discuss any new revenues until at least some of his substantive proposals have been passed. Democrat leaders in the House and Senate have yet to agree to any of these propositions and the stalemate continues.

LEGISLATURE MEETS IN SHORT SESSION

As has been the norm so far this month, the General Assembly met in session for one day (Tuesday) this week. No progress was reported in the budget battle and no significant legislation was approved. The House called for a vote on a portion of the Governor's bill to freeze property tax extensions and, again, it was flatly defeated. Republicans in the House called the vote on **HB 692** a sham as it did not include all of the Governor's bill provisions, namely, the collective bargaining reforms for school districts and units of local governments. Between the House and Senate, some form of property tax freeze has been called for a vote five or six times.

The House also defeated a bill that would have delayed Chicago Public Schools' pension payment by 40 days. The district is in poor fiscal shape and is looking for ways to balance its budget, make the pension payment, and have funding to meet the teacher payroll when school doors open in August. The 40 day extension, a proposal reportedly agreed to by the Governor, **Senate President John Cullerton**, and **Chicago Mayor Rahm Emanuel**, intended to give officials time to sort out the fiscal mess.

The legislature will meet again next week, Tuesday and Wednesday, as the State closes out its fiscal year. After about a week in July, if there is no final budget compromise, the prospect of State government workers going without a paycheck or some type of "government shutdown" becomes more probable.

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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