



ALLIANCE LEGISLATIVE REPORT (99-37)

GOVERNOR PRESENTS BUDGET MESSAGE

As the State is in the middle of the eighth month of the fiscal year with no budget in place, Governor Bruce Rauner delivered his annual Budget Address today before a joint meeting of the Illinois General Assembly. Stating that 2016 cannot be a repeat of the budget failures of last year, he laid out two options from which the legislature must choose to implement a budget.

Option one, the Governor's preferred choice, would have the legislature reach a compromise with the Governor's office on a mixture of budget cuts, fiscal reforms, and increased revenues to approve a balanced budget. The reforms would include some of the components of, or at least a portion of components of, Governor Rauner's "Turnaround Agenda".

Option two would be for the legislature to approve a general budget along with legislation to give the Governor authority to make cuts where he feels it is necessary in order to balance the budget.

EDUCATION FUNDING PRIORITIZED

The only budget area that would be treated differently would be K-12 education funding. Instead of including it in the mix of the items that could be placed on the Governor's discretionary funding list, Governor Rauner asked for a stand-alone K-12 budget bill that would increase early childhood education funding by \$75 million and fully fund the General State Aid formula foundation level (\$6,119). Fully funding the foundation level would cost approximately \$400 million more than the current funding level. Governor Rauner declared the increase in education funding as being "non-negotiable".

The Governor stated that the K-12 budget bill would be introduced soon and pushed the legislature to take immediate action on it.

Stating that this education appropriation would be the "first step" in school funding reform, he also cautioned lawmakers about approving any education funding reform plan that would shift money and create winners and losers among school districts. "Any school funding reform proposal that involves taking money from one school district and giving it to another, is doomed to fail."

WHAT HAPPENS NEXT?

As always, the Governor's presentation of his budget request is only the very start of the appropriations process in the Capitol. Ultimately, the legislature has to approve a budget through passage of a bill or a series of bills that appropriates the money. Generally, the Governor's request today is not much different than the stance he has taken for the last year – and assuming that Democrat leaders in the legislature have not changed their stance – the address today may not move the needle a great deal on a budget solution.

Further information will be provided as it becomes available.

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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