TUA NEWS RELEASE

TAXPAYERS UNITED OF AMERICA

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FOR IMMEDIATE RELEASE January 13, 2016

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45 Years of the Madigan Political-Industrial Complex

Chicago—Although the Illinois Senate meets today, House members of the Illinois General Assembly won't reconvene in Springfield until January 27, the day of Gov. Bruce Rauner's (R) State of the State address. The House members will be absent because, "the workload was not there," according to Steve Brown, spokesperson for Illinois House Speaker Michael J. Madigan (D-22, Chicago). Taxpayers United of America's (TUA) director of operations, Jared Labell, says that's a shameful dereliction of duty, but unsurprising.

"Illinois is in the midst of its seventh month without a state budget and the <u>state's ongoing financial fiasco</u> is worsening by the day, yet Speaker Madigan is content with business as usual in Springfield and blaming the new governor for all of the state's problems," said Labell. "We continually hear from our members and taxpayers from across Illinois that they are enraged by the arrogance of Illinois' elite political class, the most infamous of which is Speaker Madigan. Of all the days for Speaker Madigan to quietly plot his continued reign from another taxing district of his vast fiefdom, this is the anniversary of a very important day in the history of his rise to power and Illinois' ensuing collapse."

"Today marks forty-five years since a young lawyer named Michael J. Madigan first joined the Illinois General Assembly. He would eventually become the longest-serving Speaker in state history after assuming the position in 1983, and he has retained that power for all but two of those intervening years," said Labell. "Illinois' current financial state cannot be blamed on one politician alone, but if pressed to narrow down that list, Speaker Madigan is one of the quintessential lifetime politicians with a voting record that is as shockingly bad as the state income tax and property tax increases he has supported for nearly a half-century."

Speaker Madigan has ruled over the statehouse for decades, but he began his government career at only twenty-eight years old as a delegate to the 1970 Illinois Constitutional Convention. He voted in favor of including the now notorious pension protection language in the new constitution, paving the way for more than \$111 billion in unfunded government pension liabilities by the start of 2016.

Since 1983, the year Speaker Madigan first sat upon his throne in Springfield, TUA has compiled a biennial tax survey to rate the voting records of the Illinois General Assembly based on their fidelity to taxpayers and support for tax relief. In the past thirty-two years, Speaker Madigan has failed every one of TUA's tax surveys, with his highest rating currently standing at a pathetic 40%. His average voting record on behalf of Illinois' taxpayers over those years is a miserable 16%, and he has received a score of 0% five times since 1983, including on TUA's <u>latest survey of the 98th Illinois General Assembly</u>.

"The Madigan Political-Industrial Complex has been sustained by applying the machine politics Madigan learned from his mentor, the late Chicago Mayor Richard J. Daley, and his peer and another former Chicago Mayor, Richard M. Daley, as well as other seedy Chicago political allies."

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"His law firm, Madigan & Getzendanner, is basically an appendage of the state, as <u>Madigan benefits</u> <u>financially</u> from his opposition to property tax caps, maintaining Cook County's mindboggling property tax system, and continuing the state's reliance on property taxes for funding government schools and other services," said Labell.

Andy Shaw of the Better Government Association <u>notes</u>, "Mike Madigan spends a lot of time in Springfield, but the Illinois House Speaker also earns a sizable income as a corporate real estate tax attorney in Chicago, raising an ethical question that's shadowed him for years: Can he reliably steward our state tax dollars, as a powerful legislative leader, while he's helping building owners and developers lower their property taxes, which deprives local governments of sorely needed revenue, or is that a conflict?"

Jim Nowlan, a retired political science professor at the University of Illinois, <u>explains the brutal Iron Triangle</u> between the politicians, their connected law firms, and property tax assessments, "Basically, the assessor assesses too high, the property owner has no alternative but to go out and hire one of these politically connected law firms. The firms argue their case before the Board of Review and then the assessments go down. And then the law firms make campaign contributions to the assessor and the board of review members. The only people who benefit from this system are the lawyers and the politicos. Ordinary taxpayers really get the short-end of the stick."

"For all of his rhetoric about the middle class, Madigan is certainly not focused on resolving Illinois' budget impasse or providing tax relief to the populace, but he is intent on maintaining his grip on power," said Labell. "He went on a fundraising blitz in 2015, bringing in \$7,124,771 for the year, and more than \$2.8 million of those funds were just in December. He has positioned himself as kingmaker, since he is able to transfer as much money as he wants from his own Friends of Michael J. Madigan campaign fund to the Democratic Party of Illinois, Democratic Majority, and 13th Ward Democratic Organization funds, all of which he controls. The last three funds are political party funds, so they can give unlimited money and campaign assistance to Democratic candidates in the upcoming elections."

At a rare appearance addressing the City Club of Chicago last month, Speaker Madigan answered an audience members' question about his pledge to protect the middle class and how his views differed from Gov. Rauner. Speaker Madigan's <u>response</u> revealed his adherence to the failed Keynesian economic policies which have brought Illinois to its current deplorable condition:

"This goes right to the heart of the difference of opinion between myself and the governor...The history of the American government prior to 1933 was pretty much to remain out of the business of managing the economy. The beginning of 1933 with the administration of Franklin Roosevelt, there was a dedicated effort by the federal government to in effect manage the economy and to work always to create jobs, to raise wages, to raise the standard of living..."

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"Even by his own standards, Speaker Madigan has been unsuccessful in applying government power to help Illinois' economy flourish and improve the living standards of its residence. The policies he has championed for nearly a half-century in Springfield have contributed immensely to Illinois' current morass."

"Raised by New Deal Democrats and their ilk, Speaker Madigan represents the decaying ideological empire of omnipotent government. An era of technological advances and amazing innovations is replete with examples of economic instability and declining prosperity due to the false notion that government can centrally plan everything. If the results of his forty-five years holding elected office and his rhetoric are any indication, the history Speaker Madigan retells is one of his own making, which stands apart from reality," said Labell.

"Speaker Madigan's complete legacy is still unwritten, but his role in Illinois' government pension crisis will feature prominently. To the misfortune of government retirees, they will become increasingly familiar with Speaker Madigan's hero, FDR, who adorns the dime, as their government pensions will eventually be valued at ten cents on the dollar without immediate reforms. This reality is due to decades of mismanagement by the Illinois General Assembly, led for decades by Speaker Madigan," concluded Labell.