TUA NEWS RELEASE

TAXPAYERS UNITED OF AMERICA

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No Budget Relief Without Budget Reform

Chicago—Taxpayers United of America (TUA) today released the results of its analysis of the State of Illinois' General Funds, Special State Funds, Revolving Funds, and the Highway Funds appropriations, outlining the scope of the ongoing budget crisis and the failure of the Illinois General Assembly to enact serious spending cuts.

"The taxpayers of Illinois are finally beginning to reap the rottenness sown by their elected representatives in Springfield," said TUA operations director, Jared Labell.

Gov. Rauner (R) <u>proposed a budget</u> in February that cut spending by more than \$5 billion and balanced the state's budget for the first time since 2001. In May, however, the Illinois Supreme Court rejected the government pension reforms in SB 1, necessitating further cuts from the proposed budget. Since then, the Illinois General Assembly has continually submitted unbalanced budget proposals for the fiscal year during the regular session and has proposed one-month unbalanced budgets during the continuous summer session.

"Taxpayers need only look to the current budget battle to gauge how unserious the General Assembly is when it comes to dealing with Illinois' finances. Legislators have neglected their responsibilities for far too long and the public is becoming more aware of their political posturing as the budget negotiations continue."

"If the Illinois General Assembly does not reform its spending habits and work with the Rauner Administration to pass a balanced budget, Illinoisans will continue to see their economic health rapidly deteriorate," said Labell. "Taxpayers are now keenly aware of the fact that while the politicians in Springfield shriek about the sky falling whenever spending cuts are mentioned, these same bureaucrats continually defer to special interests and fake taxpayer advocacy groups when justifying higher taxes and their next proposed spending increase."

Gov. Rauner's proposed fiscal year 2016 budget keeps billions of dollars in appropriation recommendations constant with last year's actual appropriations, neither increasing nor decreasing proposed spending for these programs.

Comparing fiscal year 2015's actual appropriations with fiscal year 2016's proposed appropriations, spending for nearly 1,300 programs remains unchanged, totaling more than \$15 billion.

"More than \$15 billion in untouched spending for fiscal years 2015 and 2016 means that there are billions of opportunities to thoroughly evaluate these appropriations and make substantive cuts to reach a balanced budget," said Labell.

The proposed 2016 budget contains the following fund appropriations, which remain constant with the actual fiscal year 2015 spending levels:

- <u>Highway Funds</u>: fifty-three appropriations, totaling \$257,341,421
- <u>Revolving Funds</u>: ninety-five appropriations, totaling \$598,531,800
- <u>General Funds</u>: one hundred one appropriations, totaling \$2,247,278,766
- <u>Special State Funds</u>: one thousand forty-two appropriations, totaling \$12,224,133,583

"If members of the Illinois General Assembly are legitimately concerned with the well-being of their neighbors, they will recognize that Illinois cannot continue down this same path and that reforms must be implemented immediately." said Labell.

"Cutting just 10% from these unchanged appropriations would save taxpayers more than \$1.5 billion. If members of the Illinois General Assembly believe that across the board cutbacks are too drastic, then they need to do their jobs, comb through the budget, evaluate the necessity of each expenditure and determine if each dollar spent is essential. Failure to do this will result in more budget cuts down the road, as Illinoisans are now seeing for themselves as current tax revenue is used to pay for past services rendered."

"Article XIII Section 5 of the Illinois Constitution protects government employees above all Illinois taxpayers, further broadening Illinois' already entrenched political class. Every taxpayer should remember that while government employees are shielded from having their pensions reformed, there is no protection for taxpayers. Government pensions might be legally protected from diminishment, but every service your tax dollars pay for is not, and these are the services that the politicians will cut first."

"Speaker Madigan (D) has repeatedly said that Gov. Rauner's budget proposals and agenda are 'extreme,' but I would argue that the Illinois General Assembly is operating in the extreme, as the legislature has presided over Illinois for more than a decade without a balanced budget; accrued billions of dollars' worth of unpaid bills; accumulated more than \$111 billion in government pension debt; and in the meantime, these politicians have earned Illinois the lowest credit rating among the fifty states."

"So who is really the extremist – the guy who just arrived to try to put out the fire or the guy who has been dousing the house in gasoline for decades while playing with matches?"