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Crisis and Optimism in Rauner's Second State of the State Address

Chicago—Republican Gov. Bruce Rauner delivered his second State of the State address to the Illinois General Assembly today, beginning his second year as governor by outlining a number of ambitious priorities for his administration in the coming months. Jared Labell, director of operations for Taxpayers United of America (TUA), said that taxpayers should be pleased by a number of proposals in the speech, but uncertainty will remain until actual legislative action is taken.

“Taxpayers should applaud Gov. Rauner for recognizing that the state of Illinois simply cannot raise taxes to solve generations of governmental mismanagement,” said Labell. “State and local government reform in Illinois must be structural and address the systemic problems Illinoisans have dealt with for decades. Priorities must include, but are not limited to: term limits, redistricting reform, property tax relief, education reform, solving Illinois’ government pension crisis, consolidating taxing districts and government units, and enabling Illinois to be much more competitive in business to encourage economic growth.”

Gov. Rauner understands the struggle at hand, saying in his speech that, “Change is hard. Reform is difficult. But we can’t just raise taxes again. We know that doesn’t work. While the 2011 tax hike was in place, our credit rating was downgraded five times, we barely made a dent in our bill backlog, state support for schools was cut, our unfunded pension liabilities went up \$28 billion, and our economic growth fell to almost half the national average. Raising taxes without improving our ability to compete will not help the people of Illinois, and in fact, it will make things worse.”

“Although Illinois is facing significant economic trouble and gridlock in government at all levels, taxpayers should be pleased to hear that Gov. Rauner and Senate President Cullerton (D) are currently working together with their respective staffs to introduce legislation addressing government pension reform, currently said to save taxpayers \$1 billion annually,” said Labell.

“We will have to wait until this legislation is made public to know how substantive the reforms will be, as is the case with the other proposals outlined in today’s address, but this could be a sign that the state budget impasse – which is quickly approaching its eighth month – is closer to a resolution without hiking state income taxes or creating a new state income tax on retirement income. Illinois must become an economic phoenix to leave its financial catastrophes far behind, but that will require legislators to champion the struggles of taxpayers by allowing business to flourish and create more jobs to improve Illinois’ economy and the livelihood of its residents.”

Gov. Rauner will deliver his budget address to the Illinois General Assembly on February 17.