

State Budget Update & Call to Action

Illinois Action for Children

April 14, 2014



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action for
children

Revenue

- Governor Quinn presented two budgets in March: “recommended” and “not recommended” versions
- Current tax rates expire on January 1, 2015
 - Rate increase in January 2011 sunset and the end of 2014
 - Rate reduced from 5% to 3.75% for individuals
- Expiration will create, at minimum, a \$2.3 billion hole in the FY15 budget, which begins July 1, 2014.

Revenue

With current available revenue, agencies will receive the following cuts

\$1 billion cut to education

\$700 million cut to human services

\$300 million cut to public safety

Governor Quinn's FY2015 Budget Proposals

A Tale of Two Budget Proposals:

- “Recommended”: Includes Extension of current tax rates
- “Not Recommended”: Current law (loss of approx \$2 billion in revenue = many harmful cuts will be made)

Governor Quinn's FY2015 Budget Proposal (Not Recommended)

State Board of Education:

- \$17 million reduction to the Early Childhood Block Grant
 - Another 5,000 3 and 4 year olds (30k over last 7 years) would lose school readiness programming
 - Nearly \$100 million cut in last 7 years
- Flat funding for Bilingual Education
- \$185 million cut to General State Aid

Governor Quinn's FY2015 Budget Proposal (Not Recommended)

Department of Human Services:

Approx. \$60 million CUT to child care services

– CCAP is over budget by est. \$60 million in FY14 due to increased cost pressures, inc. cost would be carrying into FY15

- 41,269 children (23,000 families) could lose Child Care*
- 32,849 providers could be forced to close*

– Potential loss of \$208 million in federal funding

*Est. of IDHS presented to House Human Services Appropriations Committee

Governor Quinn's FY2015 Budget Proposal (Not Recommended)

Other Human Service Cuts:

- 18,000 teens would lose after school programs
- 2.4 million food pantry clients would not be served
- 7,300 children would lose Early Intervention
- 35,000 individuals will lose mental health services

Governor Quinn's FY2015 Budget Proposal (Recommended)

The Governor's Recommended Budget

- Includes the extension of current tax rates
- \$166m increase to Child Care
 - Maintains current caseload
 - Accounts for parents choosing high-quality settings
 - Provides Home and Center Increases
- \$8 million increase to Early Intervention

Governor Quinn's FY2015 Budget Proposal (Recommended)

The Governor's Recommended Budget

- \$25 million restoration to the Early Childhood Block Grant
 - Restores a portion of the \$80 million cut in the last 6 years
- \$11 million increase to Bilingual Education
- \$100 million of a proposed \$1.5 billion investment in the Governor's Birth to Five Initiative.

Governor Quinn's FY2015 Budget Proposal (Recommended)

The Governor's Recommended Budget

- \$50 million increase to MAP grants
- Targeted tax relief to homeowners
- Continuing the pay down of past bills

Fair Tax – The “Third Way”

Requires a change to the State Constitution

- Must Pass the House and the Senate by May 1st with a 3/5ths majority
- Question will be placed on the ballot for the November 4th 2014 election
- Must receive 60% of the vote on 11/4/14

Fair Tax

- Endorsed rates give 94% of Illinoisans, or those making less than \$205,000 a year, a tax CUT.
- A taxpayer earning the median Illinois income of \$55,317 receives a \$303 tax cut
- Find out how you would be impacted at:
www.fairtaxcut.com

Next Steps

We must pass Fair Tax Amendment by May 1st

- Find out where you members stand on:
 - [HJRCA 49](#)
 - [SJRCA 40](#)
- Call your Representative and Senator and ask them to support a Fair Tax
- Attend a Rally in Springfield on April 29th

Register [HERE](#) or contact Katherine.Rivera@actforchildren.org

Supporters of the Fair Tax*

*As of April 14, 2014

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Next Steps (continued)

Support the Governor's Recommended Budget

- Extends current tax rates
- \$166 million increase to Child Care
- \$25 million restoration to ECBG

Stay tuned for actions after the May 1st deadline

Need Advocacy Help?? Email us!

advocacy@actforchildren.org

Questions?

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