SESSION UPDATE

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Illinois Community College Trustees Association

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What's going on in Springfield? A battle of political wills between Republican Governor Bruce Rauner and the longtime head of the state's Democratic Party, Michael Madigan. The General Assembly has met in "continuous session" since the scheduled adjournment date of May 31st - which means legislators have come to Springfield one or two days a week for a smattering of weeks throughout the summer.

One thing is certainly NOT "going on" - the budget - and there is no sign of a budget deal anytime soon. The General Assembly and the Governor have not agreed on a budget for FY16, which began July 1st. Due to continuing appropriations and court orders, the state continues to spend unappropriated FY16 funds without a final FY16 budget. Life has gone on pretty much as normal. Public schools will get their money and have opened on time. State-run offices, such as the DMV, are keeping normal hours. Retirees are getting their pension checks. Mass transit is still operating. And the courts have ordered that funding continue for many human service programs, such as Medicaid. Even higher education has been able to minimize the impact of no state funds by honoring students' MAP grant awards and moving money around while schools continue to receive payments due from FY15. The result? There is no real sense of urgency to strike a compromise.

According to recent calculations, the state is obligated to pay 89.4% of expected expenses of \$38.7 billion at our current spending level. That means Illinois is spending at roughly the old rate, even though tax revenue is coming in at the new, lower rate. General funds revenues in FY16 are projected at between \$32 billion and \$33 billion. That is a \$6 billion hole! As of September 4, the Comptroller's office estimates the state's current unpaid bill backlog at \$5,256,826,990 - and we're barely two months into the fiscal year. With only \$195 million in cash on hand to pay bills, the cash flow is not available to fulfill the court-ordered obligations on a daily basis.

In one of the more epic showdowns between Governor Rauner and Speaker Madigan, the House took a vote to override the governor's veto of a key labor bill. Gov. Rauner claimed a victory when Speaker Madigan was unable to get the 71 votes he needed to override the governor's veto. The bill would have required binding arbitration for an impasse in state employee union negotiations and prevented a strike or lockout of state workers. Republicans argued the bill was designed to protect the status quo from the consequences of last year's election by removing the governor from the negotiating table. But it wasn't just the union bill that went down. Numerous override motions failed, including a bill designed to reverse the governor's 90% cut to child care services.

Due to the irregularity of this "continuous" summer session, Tom and I continue to be vigilant. We are keeping a close eye on every bill and amendment every single day to ensure your interests are protected.