



GENERAL ASSEMBLY
STATE OF ILLINOIS
HOUSE OF REPRESENTATIVES

May 25, 2017

Chairman Frederick H. Waddell
Civic Committee of the Commercial Club of Chicago
21 South Clark Street, Ste. 4301
Chicago, IL 60603

Dear Chairman Waddell:

I appreciate your recent report and its detailed recommendations on the state budget. I agree that our state is a vibrant place with much to offer as a center for innovation and growth, but the budget crisis is holding us back. I have stated repeatedly that the budget is the most important issue facing our state, and I wanted to make sure you and your colleagues are aware of what steps House Democrats have already taken to put Illinois on more sound financial footing.

Between Fiscal Year 2012 and Fiscal Year 2014, Democrats made significant progress in paying down the state's backlog of old bills. Under Democratic budgets, the state's debt dropped from over \$8 billion in 2013 to \$4.5 billion in July 2015. In fact, as a candidate Rauner criticized Illinois' bill backlog in May 2013. However, Governor Rauner's impasse has completely reversed the progress we made; after nearly two years without a budget, the backlog of unpaid bills has now grown to over \$14 billion.

In recent years, House Democrats have pushed for cost-saving reforms to state pensions and the Medicaid system. We have also taken steps toward greater pension parity for Chicago; during the 99th General Assembly, House Democrats advanced Senate Bill 2822, which provides state funding for Chicago teacher's pensions. Unfortunately, Governor Rauner vetoed this legislation.

House Democrats also implemented significant reforms to the workers' compensation system, and we are beginning to see the impact. Costs, injuries and claims have all dropped significantly since our law passed in 2011, and Illinois now has a lower frequency of medical payments per claim than Indiana, Iowa and Wisconsin. While the governor has prioritized further changes to the system, we have engaged in this dialogue. We have offered additional reforms that will make sure employers see the benefit of reform. This month, we passed House Bill 2525, which codifies causation standards to make sure only legitimate workplace injuries are compensable, and requires workers' compensation insurers to pass these savings on to employers.

We've passed significant reforms to the criminal justice system that will help reduce costs. Last year, the House passed bipartisan legislation that expands the Department of Corrections' ability to offer early release to some non-violent offenders, and give judges more flexibility in sentencing for some non-violent crimes.

House Democrats have led efforts to empower taxpayers to consolidate local government. In the 99th General Assembly, we passed House Bill 229, which expands a pilot program that will empower taxpayers to consolidate duplicative or unnecessary taxing bodies.

We continue to work toward education funding reform. A House Democratic plan would help students across the state and put all Illinois schools on an equal footing. But the Republican proposal is not a fair proposal for all our students; it slashes funding for the Chicago Public Schools. I would be interested in knowing which proposal you and your colleagues would prefer.

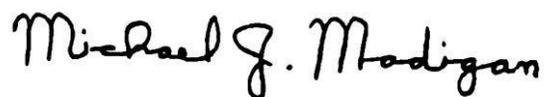
While we continually strive to address Illinois' challenges, there are some proposals that have failed to find consensus within the General Assembly. Reductions to the Local Government Distributive Fund is one suggestion in your plan that has already been met with concern by Democrats and Republicans, who fear the loss of revenue for local governments will only force higher property taxes and cuts to public safety, health and other community services.

I remain committed to working in good faith with the governor to pass a full, responsible budget, and address the other major issues facing the state. Last week, I assigned four members of the House Democratic leadership team to meet with Governor Rauner and discuss his off-budget agenda items. Unfortunately, to date, the Governor has chosen not to meet with these members.

I hope you will join me in urging the governor to take up House Democrats' offer and help us end this budget crisis.

With kindest personal regards, I remain

Sincerely yours,

A handwritten signature in black ink that reads "Michael J. Madigan". The signature is written in a cursive, slightly slanted style.

MICHAEL J. MADIGAN
Speaker of the House