

## **Illinois Budget Update**

On July 4, 2017, the Illinois Senate passed the budget, revenue, and budget implementation bills that the House of Representatives approved earlier in the week, and then subsequently overrode Governor Rauner's vetoes of them. In the following days, the House passed the Senate version and also overrode the governor's veto on July 6.

Senate Bill 6 is the FY 2018 spending bill. The appropriation levels found within this bill represent approximately \$3 billion in spending reductions from FY 2017, along with an increase in the state income tax. Both houses passed these bills with Republican support, specifically from downstate districts where higher education cuts had significant negative effects. Implications for the Illinois library community are detailed below.

### **GENERAL SERVICES**

Area grants to library systems, and per capita grants to public libraries, under Section 8 of the Illinois Library System Act.

|                                      |            |
|--------------------------------------|------------|
| From the General Revenue Fund (GRF): | 12,482,400 |
| From the Live and Learn Fund:        | 16,004,200 |

*The following allocations are in the budget for the Illinois State Library, under the the Office of the Secretary of State.*

Library services for the blind and physically handicapped:

|                               |         |
|-------------------------------|---------|
| From GRF:                     | 865,400 |
| From the Live and Learn Fund: | 300,000 |

Annual per capita grants to all school districts of the state for the establishment and operation of qualified school libraries or the additional support of existing qualified school libraries under Section 8.4 of the Illinois Library System Act:

|                           |           |
|---------------------------|-----------|
| From GRF:                 | 225,000   |
| From Live and Learn Fund: | 1,145,000 |

Grants to library systems for annual library technology grants and for direct purchase of equipment and services that support library development and technology advancement in libraries statewide:

|                                     |           |
|-------------------------------------|-----------|
| From Live and Learn Fund:           | 580,000   |
| From the SOS Special Services Fund: | 1,826,000 |

Grants to libraries for construction and renovation as provided in Section 8 of the Illinois Library System Act.

|                               |         |
|-------------------------------|---------|
| From the Live and Learn Fund: | 870,800 |
|-------------------------------|---------|

For library services under the Federal Library Services and Technology Act and the National Foundation on the Arts and Humanities Act of 1965:

From the Federal Library Services Fund: 7,000,000

Support and expansion of Literacy Programs administered by education agencies, libraries, volunteers, or community-based organization or a coalition of the above:

From GRF: 3,718,300

From the Live and Learn Fund: 750,000

From the SOS Special Services Fund: 1,300,000

The sum of \$1,288,800, or so much thereof as may be necessary, is appropriated from GRF to the Office of the Secretary of State for a grant to the Chicago Public Library; and The sum of \$50,000 or so much as may be necessary, is appropriated from the Secretary of State Special License Plate Fund to the Office of the Secretary of State for grants to benefit Illinois Veterans Home Libraries.

A \$10.3M line-item grant to the Lincoln Presidential Library and Museum. This is the first year that the library will receive a stand-alone appropriation;

## **HIGHER EDUCATION**

### **General Funds — Reductions**

10% reduction, or \$118.3M, to university operating and individual program lines;

10% reduction, or \$27.4M, to community college base operating and equalization grants;

10% reduction, or \$817,400, to most agency grant lines; and

10% reduction, or \$574,800, to agency operating lines.

### **General Funds – Additions**

10% increase, or \$36.5M, for MAP grants, which will allow the state to provide funds for approximately 14,000 additional students; and

\$165,700 appropriation to pay vouchers of first responder dependents who are killed or disabled in the line of duty.

### **Other Higher Education Appropriations**

Funding of operations at public universities and agencies at 90% of FY 2015, the last fiscal year in which Illinois had a 12-month operating budget; and general revenue grant funding at 95% of FY 2015 for most agency grant lines.

Senate Bill 6 holds harmless spending in the following programs:

Community college technical and adult education (\$50,343,400);

Diversifying higher education (\$1,456,500);

College financial aid application assistance (\$997,700); and

Community college performance-based and small college grants (\$889,500).

## **Capital Construction Projects**

Senate Bill 6 appropriates \$4.17 billion for capital projects--\$598 million of new capital projects (\$400M for state technology upgrades and \$198M for mental health correctional treatment facilities and payment of outstanding bills) and \$3.57 billion of re-appropriated capital projects from previous fiscal years (it's my understanding that all of the re-appropriations were originally passed by the legislature in FY 2009); \$10M of the re-appropriated projects are for public library grants.

### **ELEMENTARY AND SECONDARY EDUCATION**

Senate Bill 6 increases K-12 funding by approximately \$743 million--the vast majority of this increase is the result of first-year implementation of Senate Bill 1, the new Evidence-Based Funding Model (EBM) that Governor Rauner has stated he will veto when that bill reaches his desk.

\$350M in increased funding for EBM Tier One and Two schools (generally those with the largest gap between actual district funding per pupil and the state definition of funding adequacy);

\$50M increase in early childhood education funding;

\$38.5M increase for bilingual education funding; and

\$15M line-item for after school programs.