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One of two 'impossibilities' must happen

By Jim Broadway, Publisher, Illinois School News Service

It is virtually inconceivable that the only apparent solution to the state's fiscal crisis - the enactment of a "grand bargain" of perhaps eight bills, each one deplored by a majority of the legislators - can possibly happen by the end of May.

But for that not to happen, for the legislators themselves to become failures on an historic scale, for them to walk away from the Capitol on May 30 with undeniable state obligations outstripping revenue by \$11 million every day, that also seems impossible. But one of the impossible outcomes will take place.

Yes, the evidence of their failures has finally caught up with the legislators' aversion to voting for difficult bills, for bills that will irritate the taxpayers, for bills that go against the interest of politically helpful constituencies. The grand bargain would be painful for everyone in some ways - but more painful than further failure?

The stress on the faces of members of all four legislative caucuses is deeply etched. PK-12 schools have a budget, but the state is \$1.5 billion behind in funding it. No one else has a budget. Universities are losing staff - and students. Safety net organizations are disappearing. Has anyone died as a result? Probably.

Visualize calendar pages flapping backward. The post-WW II prosperity of the '50s and '60s hit a bump in the '70s and fell to the pits in the '80s. ("Mediocre" educators were blamed for the pits, but that's a different story.) The economy has cycles, and my writing about state government has reflected those cycles.

In the good times, Illinois policymakers spent generously on higher education and public welfare and short-changed the pension systems only a little. In bad years they served the citizens a bit less generously, but "balanced" budgets with gimicks (e.g., inflated revenue projections) and funds diverted from pension systems.

Every spring I would estimate how many truckloads of "smoke-and-mirrors" it would take the governor (be it Thompson, Edgar, Ryan) and legislative leaders to purport to have balanced their budget. We didn't see an honest budget until Quinn was governor. Under Gov. Bruce Rauner, of course, we've seen no budgets.

You can't spend like Massachusetts with Mississippi revenue, I would write. The chickens will come home to roost, I would write. Today, it's chickens everywhere you look, chickens that came home, chickens roosting. The burden to fall on Illinois' children and grandchildren is already immoral. This is the year it must stop.

Is that a prediction of grand bargain success? Yes, it sort of is, if it is left up to the legislators to decide. You can hear it in their voices, especially in the Senate. Some who've never, not ever, voted for a tax hike seem resigned to accept a huge one, in return for some pro-business policy and a property tax freeze.

Some who have scored 100% with the unions over the years seem ready to try to shift \$1 billion-per-year or so of the costs of recovery onto the public employee union members through another (unconstitutional) pension "reform." Most seem to accept gambling expansion (the most socially degrading policy ever) as inevitable.

On the top of this stack of bills that would never be accepted individually is something everyone wants - an adequate and equitable system for distributing PK-12 resources to every school district. This goal has eluded the policymakers for years because every credible proposal has created "winners and losers."

The bills must be voted on individually. If they can't pass as a group, how can the grand bargain succeed? Answer: They are to be "log-rolled," connected by statutory language providing that none of them will become law if any one of them fails to pass. (That seems a tad unconstitutional, too, but there you have it.)

Left to their own devices, I believe the legislators would leave the Capitol late in the evening of May 30, exhausted from the tension of debate but relieved that it is "finally over," relieved that they won't have to come back in 2018 to face a fiscal mess that has just grown by \$11 million-per-day from now until then. Whew!

But they won't be left to their own devices, will they? No. Rauner can be a spoiler, as he has shown every tendency of being. He keeps moving the bar. He killed a Senate grand bargain moment two weeks ago when he called Republicans in that chamber and told them to demand a "permanent" property tax freeze. Insane.











To be fair, Rauner's <u>list of demands</u> has become shorter. In it, he describes (without specifics) school funding reform, and he makes a case for workers compensation policy changes and for the "consideration model" of pension "reform" that has percolated through the Senate this spring. But there's at least one non-starter.

If Rauner withholds his support for the whole package until state legislative and constitutional officer "term limits" are in it, then he will never support the package. It may seem counter-intuitive, but term limits are not in our interest as citizens. Besides, a resolution to put them on the ballot cannot pass the House or Senate.

Is Rauner's support (or at least acquiescence) necessary? Yes, it is. Republican votes in both chambers will be required, and will be withheld without at least mild support from him. Also, a "structured" roll call (30 senators, 60 representatives) will be needed for the tax hikes, so overriding a veto would be impossible.

What might be Rauner's motivation to add the word "compromise" to his vocabulary? Well, instead of taking most of the blame (justifiably) for prolonging the state's agony, he could be seen as a hero, as a key player in the resolution of a crisis created by multiple predecessors. Plus, he'd get a few policy wishes granted.

(Why are term limits a bad idea? Let's examine that one later.)

It was not helpful last week when Rauner communicated to the media a "from what I hear" kind of complaint that the Democrats in charge of drafting the FY 2018 budget are not making sufficient cuts - then <u>instructed his agency directors</u> not to respond to senators' questions about where to cut in their budgets.

Perhaps the agency leaders will be more forthcoming when the House committee <u>for PK-12 education appropriations</u> meets this afternoon for a "subject matter" hearing on the budget of the Illinois State Board of Education. (Last week, State Supt. Tony Smith indicated he had been ordered not to talk about cuts.)

Today's hearing is scheduled for 1:30 p.m. in Room 114 in the Capitol. (You should be able to monitor it at this link.) It can be expected that Smith will advocate eloquently for the budget recommendations approved by the State Board, without commenting on how that differs from Rauner's proposal.

Other House action this week is Wednesday. The committee on PK-12 "Licensing, Administration & Oversight" will meet at 8 a.m. (Room 115, if you're monitoring it) with about 35 agenda items; the committee on PK-12 "Curriculum & Policies" convenes at 10 a.m. (Stratton D-1) with an even larger workload.

We've described most of the pending bills before. Click a bill number to read what it would do, or check out what others think about a bill by using the "dashboard" on the legislature's web site. The House deadline for committee action on the chamber's non-appropriations bills is March 31, so there's some time.

The Senate, however, is up against a Friday deadline for committees to act on non-budget bills originating in that chamber. And no hearings are scheduled for Friday. (It's St. Patrick's Day; who would be there to testify?) So today is likely the last chance for the 20 or so bills pending in the Senate Education Committee.

Almost all of the posted bills are carried over from last week. Truly, the senators were so gripped with grand bargain anticipation - and then let-down when it didn't happen - I think it was hard for them to focus on bills of the run-of-the-mill variety. If they run out of time today, they can still convene again.

Notice that <u>SB 1</u>, the vehicle for school funding reform if a grand bargain materializes, is not pending in the committee. That bill, potentially the most important issue for educators this year, is on third reading, ready to be passed over to the House, while still a shell bill. Surely an amendment is drafted, but none is filed.

And <u>SB 11</u>, the vehicle for pension "reform," is dead as can be. If that is to be a grand bargain component, a fresh vehicle bill will be needed. <u>SB 13</u>, creating a statewide two-year property tax levy freeze, is also on third reading, ready for a vote to send it to the House if Rauner drops his demand for a permanent freeze.

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