



UNITED TOWNSHIP

HIGH SCHOOL DISTRICT 30

TO: Board of Education
FROM: Dr. Jay Morrow
RE: Legislative Report
DATE: February 3, 2025

Certainly, a great deal of legislative action has occurred since the January meeting. Here is a look at state and federal affairs:

State:

The main focus this time of year is the budget. Here is a brief synopsis of how the process works in Illinois, educationally speaking:

- Illinois State Board of Education (ISBE) proposes (requests) an education budget. As shared in the Capitol Watch, the following is requested:
 - Evidence-Based Funding: An increase of \$350 million
 - Mandated Categorical Funding: An increase of \$142 million
- By statute, the Governor presents a budget request as well, later in February.
- The senate and house then develop a budget. Hopefully it is approved by May 31. Any budget approved after May 31 requires a super-majority (2/3) vote in each chamber.

The two main financial concerns recently published were:

- The FY26 state deficit is projected at \$3 billion by the Commission of Government Finance and Accountability (COGFA). COGFA is a state agency, with a bi-partisan legislative board.
- COGFA also provided an actuarial analysis of the Tier 2 pension legislation introduced in the recent veto and lame duck sessions. The bill would bring all statewide Tier 2 pension systems in line with Tier 1. The estimate to do so was just under \$30 billion.

Federal:

President Trump's executive order late Monday, January 27, to freeze payments to entities receiving Federal revenue put every entity into a state of confusion. The executive order was quickly rescinded; however, the damage was done and the message sent. We must be prepared for possible federal cuts to education.

For this year (FY25), federal allocations were directed to each state, and have already been distributed. In Illinois, we operate on a reimbursement model, meaning the school district requests the federal money through the state. For UT, for our federal funds, we make quarterly reimbursement requests, except Food service, which is monthly. The federal budget cycle begins October 1 and ends September 30. This, of course, does not align with the Illinois school district budget calendar. Thus we will not know federal budget impacts well into FY26.