

The "Emergency Budget Act" passed on May 25 extends the state's lagging bill-payment cycle further still, and -- for the second year in a row -- hands to the Governor the legislature's power to determine line-item appropriation amounts.

The revenues provided are inadequate to pay past bills and provide essential public services such as education, health care, public safety, and care for the most vulnerable.

The League's position is that a responsible, balanced solution is necessary to set Illinois back on a path toward fiscal stability -- one reflecting the framework of House Bill 174, which passed the Senate and a House committee last spring but still awaits a vote by the full House. That legislation would increase income taxes moderately and modernize the state's sales-tax base; it would better-reflect families' ability to pay by strengthening the personal exemption, the Earned Income Tax Credit and the property tax credit.

*Excerpt from a letter from the Co-Presidents, League Matters, June 2010*