Illinois lawmakers play while the budget burns

By Kevin McDermott
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SPRINGFIELD, Ill — The starkest indication of what's happening — and not happening — with Illinois' state budget crisis could be seen on a recent Wednesday, when some 15,000 activists crammed in and around the state Capitol for a "Save Our State" rally, demanding a budget fix that would spare schools and social services from deep cuts.

The Legislature's response?

They broke for the afternoon to play their annual House-Senate softball game. (The House won.)

Illinois faces an estimated $13 billion budget deficit in the coming fiscal year, the equivalent of almost half the state's entire general fund. It's by far the worst shortfall in the state's history and one of the worst in the nation. School districts, hospitals, state vendors and others are so far behind in promised payments from the state that teachers are being furloughed and businesses are in danger of going under.

With procedural deadlines for a new budget now just weeks away, state political leaders would appear to face a tough choice between crippling budget cuts or a major tax increase.

But both those choices are unpalatable in an election year, and it's looking increasingly like those leaders are pondering a third option: doing nothing.

"There's been no real substantive (budget) discussion, no pieces of the puzzle being put together," says House Republican Leader Tom Cross, whose party is in the minority in both the House and Senate. "I'm not sure where this is going. My guess is there will be a punt, or something held together with duct tape."

In English, that means Cross and others suspect that Democratic legislative leaders intend to do what they did last year: in effect leave the current
budget structure in place, deficit and all, handing Democratic Gov. Pat Quinn a pot of money that won't address the shortfall but will keep government operating for at least part of the year.

A spokesman for House Speaker Michael Madigan last week didn't rule it out.

"We're trying to fashion a budget," said Madigan spokesman Steve Brown.

But with Republicans' unified refusal to consider a tax hike, and widespread reluctance to drastically cut education or other high-ticket items, he said, the only option might be a pay-what-you-can spending plan: "You appropriate as much money as is available and attempt to operate the government to the best of your ability."

For schools, vendors and others, that would probably mean continued late payments from the state, with no indication of how the long-term shortfalls will be addressed.

It would also leave lawmakers open to the same criticism they faced last year — that they didn't deal with the deficit, and merely pushed it forward — but would spare them from the no-win political scenario of huge cuts or a major tax increase before the November elections.

"I suspect (the Democratic majority) will pass a budget that is not sustainable for 12 months, and shove it onto the governor's desk, and say, 'Manage it until after the election,'" said Patty Schuh, spokeswoman for Senate Republican Leader Christine Radogno.

Frustrated rank-and-file Democrats suspect the same thing.

"It's a giant shell game," said state Sen. Mike Jacobs, D-Moline. "We're going to pass a tax increase after the election ... and until then, we're going to pretend we're not even thinking about it."

Quinn himself edged toward a similar complaint last week. Quinn wants to address the deficit in part with a state tax increase, to 4 percent from the current 3 percent flat-rate income tax, but he hasn't been able to get it past the Legislature.
"We have to have a governor who tells people the truth before an election," Quinn said Thursday. "There's going to be a lot of candidates for office who will have a different tune after Nov. 2, after the election. I don't believe in that. I believe in telling people the truth, straightforward, before the election."

The Senate approved last year a variation of Quinn's current tax-increase plan, but the House hasn't taken up the issue. Madigan, the House speaker, says he can't garner enough votes from his Democrats to pass it without Republican participation.

Others believe that Madigan could push it through without the Republicans but that he is unwilling to give the opposing party that kind of campaign ammunition going into the elections.

Madigan "isn't going to pass a tax hike without Republican votes, for political reasons, and the Republican leader (Cross) isn't going to let his members vote for a tax increase, for political reasons," said Charles N. Wheeler, head of the Public Affairs Reporting program at the University of Illinois at Springfield. "If there wasn't an election, there might be more willingness to deal with this."

Quinn has proposed a series of other steps to address the deficit, including borrowing, continued delayed payment on some bills and major budget cuts. He has tied his most controversial proposed cut — $1.3 billion from education — to his proposed tax increase, telling the Legislature they can spare the schools by approving the increase.

Whatever happens, it will have to happen soon. The new budget year starts July 1, but as a practical matter the budget will have to be approved by the end of May. After May 31, under the state constitution, its approval would require a three-fifths majority instead of a simple majority—meaning the ruling Democrats, unable so far to reach a budget agreement even among themselves, would need Republican cooperation.

The fact that the Legislature is tentatively scheduled to adjourn Friday — with virtually no budgetary floor action to date — may be the strongest indication that leaders are planning to "punt."
"Everybody's introducing nurses (for a Capitol event last week) and all I could think of was, my district may not have a hospital with nurses to introduce soon," state Rep. Bill Black, R-Danville, said on the House floor Thursday. "This budget is just an absolute disaster and a crisis we just seem to put off, put off, put off."

Wheeler, like others, predicted that Democratic leaders might approve a tax increase after the election — if Quinn wins. His opponent, Republican state Sen. Bill Brady of Bloomington, has vowed not to raise taxes under any circumstances.

"Should Brady win, the great temptation among Democrats would be to say, 'You're the governor, here, you deal with it,'" said Wheeler. "That might be poetic justice."

-- Kathleen Foody of the Post-Dispatch staff contributed to this report.

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