

OFFICE OF THE MAYOR CITY OF CHICAGO

**FOR IMMEDIATE RELEASE** February 15, 2017

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## MAYOR EMANUEL JOINS 15 MAYORS IN CALLING ON GOVERNOR RAUNER TO STOP THE IMPASSE AND INTRODUCE A BALANCED STATE BUDGET

Mayor Emanuel joins regional mayors to urge governor to fund state's obligations with a balanced budget that is 20 months overdue

Mayor Rahm Emanuel today joined 15 mayors from the Chicagoland region and neighboring counties to call on Governor Rauner to introduce and pass a balanced state budget on the second anniversary of the state's budget impasse. After nearly two fiscal years without a budget, local governments, municipalities, service providers, and residents are the ones bearing the burden as they struggle to meet obligations to roughly 12 million residents without a state budget appropriation.

Later today, the Governor will deliver his third budget address, where it remains unclear if he will introduce any legislation toward balancing a budget. In a joint statement, area mayors called for the governor to put an end to the chaos and uncertainty inflicting their residents, a direct result of the 20-month plus budget impasse:

"For millions of residents across Chicagoland and our state to succeed, the state of Illinois needs a balanced budget to ensure it will deliver on its most fundamental responsibilities today for a stronger future tomorrow. As metropolitan mayors from both sides of the aisle, we have seen firsthand the toll the impasse has had on our people and on our economic futures. On top of the harm done to statewide social services, 20-month standoff is impacting our finances, business activity, and, notably, our schools K-12, as well as the colleges and universities in the state. Fortunately, leaders in both chambers have taken steps toward a bipartisan budget. Today, we are calling on the governor to do the same and to personally engage in a budget solution that would end the gridlock and allow all Illinoisans to thrive."

Among other consequences, the state budget impasse must be resolved immediately because it continues to impose the following costs on residents and cities throughout the state:

- Serious damage to the social and health care service safety nets for individuals in need of them;
- Increasing costs to local governments and municipalities due to delayed and deferred payments;
- Delayed projects caused by the increased cost of bond issuances;
- Increasing uncertainty for local governments as they do their own budgeting and capital planning;
- Budget uncertainty for K-12 school districts;
- Significant funding loss to higher education institutions;
- Deepening unfunded public pension liabilities; and
- Limitations on the local government ability to compete in the global economy.

While the state faces nearly \$11 billion in overdue bills, its finances stand to worsen with every week that goes by without a budget. Additionally, the state pays higher interest on its debt than any other state in the country, and its unpaid bills to its service providers like domestic violence shelters, homeless shelters, and mental health agencies—threatening the most vulnerable populations.

For example, the impact to childcare services means that 50,000 fewer children statewide are being served each month. Several dozen childcare centers have already closed as a result of a state funding shortfall, with more on the verge of closure each day and threatening to put low-income families out of critical early learning options.

What is perhaps most alarming is that the impasse is driving residents out of Illinois and to other states to seek viable employment and education opportunities. Since the last budget expired, Illinois has lost more than 37,000 residents, and job growth has ground to a halt. And with the budget impasse decimating financial aid opportunities and forcing more students out of Illinois colleges and universities, the state is seeing more students than ever before leaving the state for other more affordable options outside of Illinois, according to a recent <u>Chicago Magazine article</u>.

The financial aftermath of the budget poses serious implications for the state's future, weakening financial standing and future prospects. With the costs of not having a budget continuing to grow, and without a budget soon, Illinois runs the risk of incurring irreparable damage to its financial stability, as well as to its residents' quality of life.

## **President Catherine M. Adduci**

Village of River Forest

**Mayor Gerald R. Bennett** City of Palos Hills President, Southwest Conference of Mayors Mayor Anthony Calderone

Village of Forest Park

Mayor John A. Ostenburg Village of Park Forest President, South Suburban Mayors & Managers Association

**President Richard P. Reinbold** Village of Richton Park Legislative Chairman, South Suburban Mayors & Managers Association

Mayor John Rey City of DeKalb

**Mayor Jeffery D. Schielke** City of Batavia

**Mayor Jeffrey T. Sherwin** City of Northlake

Mayor Bradley A. Stephens Village of Rosemont

**President James Chmura** Village of Norridge

**President Hubert E. Hermanek, Jr.** Village of North Riverside

**Mayor Arlene C. Jezierny** Village of Harwood Heights

**Mayor Barbara J. Piltaver** Village of Schiller Park

**Mayor Sam D. Pulia** Village of Westchester

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