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Post-election state governance prognosis poor

By Jim Nowlan

Is there any chance Illinois political leaders will address the state's woeful budget impasse in any meaningful way after this election? The prognosis is extremely poor.

Scores of millions have been spent by Gov. Bruce Rauner and House speaker Mike Madigan on toxic ads in state legislative races that go so far as to characterize opponents as chummy with sexual perverts.

Thus, there will be little enthusiasm among those who survive the slime for making nice with the governor or the House speaker, respectively.

Kumbaya is going to be hard to come by.

Not enough people, that is the "big people" who really count in politics, feel the pain that results from the dysfunction of our state government.

The tony North Shore above Chicago, where Gov. Bruce Rauner hails from, doesn't need state government; it's invisible to folks up there. They fund their public schools quite nicely solely from the local property tax.

Their kids tend to go to private colleges, and their elderly go to expensive independent living to end-of-life complexes, not bare-bones nursing homes supported by state Medicaid dollars.

Those on the North Shore fly to Montana ranches to get away from it all. What's a state park, they might ask?

There is no state budget crisis on the North Shore.

House speaker Mike Madigan, Rauner's *bete noire*, comes from more modest roots. Madigan is a generation or so removed from Chicago's Southwest Side Irish forbears who labored hard as steelworkers, metal-benders, meatpackers, police and fire fighters.

They have benefited from state dollars for their schools, health care, parks and more.

But they're also proud, like Madigan. Even if the budget impasse pinches, they'll never admit as much.

Mike Madigan would let Hell, and the state, freeze over before yielding to Rauner. It's about pride, the threat of losing face.

Rauner should have seen this from the get-go, when the surprisingly moderate Madigan would have compromised on some of Rauner's objectives, but he didn't.

I am told by insiders that, as a result of the bitter, personal battle royale between Rauner and Madigan, non-stop since the 2014 election, the speaker's new *raison d'etre* is that of preventing Rauner at all costs from winning re-election in 2018.

Not what you would call a salutary environment right now for political compromise.

As an African aphorism goes, "When elephants fight, it's the ants who suffer."

The irony is that, at some point, there *will* be compromise over a real, year-long state budget, and those of us who spend some time with the topic know roughly what it will, of necessity, look like.

Each day until resolution only makes the situation worse, as deficits pile up.

The state needs to add about \$7 billion more each year, in ballpark figures, to its \$72+ billion budget to keep up with regular bills and begin to pay off over four or five years its \$10-12 billion in unpaid bills.

Painful but responsible actions, in some combination, would increase the individual income tax from 3.75 percent back to 5 percent and maybe tax sales on some services.

Other possibilities would be to eliminate the 5 percent income tax credit on property taxes paid (\$540 million a year); impose the sales tax on non-profit organizations (\$420 million a year).

There will also have to be budget cuts.

Although I would never recommend as much, higher education should probably expect going forward no more than the 60-70 percent of its previous annual allocation, the amount it received belatedly in the recent partial-year budget.

[The whole public college and university enterprise will have to be restructured to protect the diamonds and eliminate non-core programs.]

In sum, come up with \$7 billion a year in new revenue and cuts. Make \$5 billion in increases permanent and \$2 billion temporary until old bills are paid off.

I have one idea that would force the elephants to the bargaining table.

A circuit court judge in the metro-East St. Louis area ruled not long ago that state workers cannot be paid without an appropriation. The Illinois Constitution is crystal clear on this.

Illinois Attorney General Lisa Madigan has failed to challenge that ruling to a higher court, possibly for political reasons, to wit: her father, Speaker Madigan, doesn't want her to do so, as it might provide Rauner a way out of the budget impasse.

If 62,000 or more workers went without pay checks, there would be chaos, absent a budget solution.

So let's put pressure on Lisa Madigan to do her job!