

SNG-Rauner maiden speech positive-2-9-15

Rauner speech to lawmakers sets right tone

By Jim Nowlan

Calling for a new partnership in Illinois, Republican Gov. Bruce Rauner set a constructive, cooperative, problem-solving tone in his maiden speech Wednesday to a legislature in which more than three-fifths of the members are Democrats.

This positive approach will be critical in a *pas de deux* between chief executive and legislature that will have to continue unabated for the full four years of Rauner's term, as the "Illinois Turnaround" the governor calls for will require years to set in motion.

The new governor's proposals were, as expected, business friendly and union critical, yet he avoided demonizing the latter.

Rauner proposes cuts in workers' compensation, unemployment and business liability costs as well as relief on property taxes, which are a heavy burden in Illinois on both businesses and homeowners.

The governor calls for local right-to-work zones (where workers would not have to join unions), which will not fly in the legislature, and for prohibitions on union contributions to political campaigns, another dead-on-arrival proposal, I am afraid.

The forthcoming tussle between Rauner and government unions will be monumental. Ask any experienced state agency director, and he or she will tell you the unions basically run the day-to-day operations of state government.

Ninety-seven or so percent of all state employees belong to unions. The sweetheart contracts agreed upon by recent governors and the unions give the latter a heavy hand in the hiring, promotion and firing (almost impossible) of state employees.

Nevertheless, the positive tone beamed by Rauner to lawmakers, long friendly to unions, gives me hope that the legislature will work with him to rein in the unions on government management issues.

The really heavy lifting for Rauner and lawmakers will be addressed February 18 in the governor's budget speech. This past week, Rauner did call for property tax relief, which is costly to government budgets, and also for increases in spending for K-12 school children, early childhood education (a particular interest of Mrs. Rauner), and vocational and career education.

All this takes money, which the state lacks.

Rauner did say he wants tax reform, what he calls a "21st Century tax system." This suggests broadening sales and income tax bases and eliminating tax exemptions, all of which will be extraordinarily difficult to achieve.

The state's fiscal problems are much deeper than most Illinois residents appreciate.

For example, annual state pension payments of about \$8 billion over the next 30 years represent about \$2,000 per year per three-person household in Illinois. Then, in addition, we must add the pension obligations for local fire and policemen, which are in many municipalities almost as heavy as those for the state. *Voilà*, you have another \$1,000-2,000 per household per year!

Did you realize that? I'll bet not. Are you happy? Can you afford that?

In his Wednesday talk, Rauner also offered a medley of proposals, for example, to improve education by reducing the amount of testing required and to reduce numbers going into prison by diverting some felons to local mental health and substance abuse treatment.

All the proposals in Rauner's talk will not by themselves fix what ails Illinois. That will require much more thought and effort.

I was pleased that Rauner mentioned our state bicentennial in 2018, the last year of his term.

One of former governor Quinn's last acts in office was to appoint some members to a bicentennial commission. The members include longest-serving (14 years) Illinois governor Jim Thompson, a very smart man. In addition, Chicago alderman Ed Burke, a great student of Chicago history, and Tony Leone, a thoughtful Springfield-based Illinois historian, are among those named.

For the immediate future, I recommend that Rauner and the four legislative leaders hold regular weekly lunches or dinners for purposes of developing tight working relationships.

For the longer term, the 2018 Illinois Bicentennial Commission membership should be augmented with topflight scientists and other deep thinkers from our universities and elsewhere.

Since the state will lack money for the commission, Rauner should promptly beseech our major charitable foundations to provide significant support to the 2018 panel.

The commission must organize posthaste to begin looking both back into our rich history and forward into our future.

The Illinois Turnaround will be a journey not a dash.