

Illinois Issues blog

Wednesday, November 30, 2011

Lawmakers say budget deal fixed mistakes

By Jamey Dunn

[A plan the General Assembly approved yesterday to shift money to and from various funds](#) would correct what some lawmakers say were errors in the original budget they passed last spring.

The agreement that Gov. Pat Quinn and the legislative leaders reached yesterday was primarily meant to halt the looming closures of seven state facilities and the layoffs of almost 2,000 employees. However, additional money would be filtered toward human services programs, such as addiction treatment, mental health services and programs to combat homelessness. The plan would be paid for with money from Quinn's budget vetoes and transfers from state funds outside the General Revenue Fund.

Sara Moscato Howe, chief executive officer of the Illinois Alcohol and Drug Dependence Association, said that the original budget cut allocations for addiction treatment further than the House budgeting committee for human services intended. "We were reduced by about 25 percent when the budget came out in July, and that was not the intention of the legislature," Moscato Howe said.

"It was essentially a math problem," said Chicago Democratic Rep. Sara Feigenholtz, who heads the human services budgeting committee in the House. She said the committee was working off of last fiscal year's spending numbers without accounting for an [infusion of funds late in the fiscal year by Quinn](#) to ensure that addiction treatment was funded through the end of FY 2011. "We found ourselves \$28 million in the hole." Feigenholtz said that the lump sum budgeting process that lawmakers resorted to for the first two years Quinn was in office made it difficult to track when and where Quinn may have shifted money. "Hopefully, now that we're line-iteming our budgets again, these kinds of errors will not occur again."

Feigenholtz said a cut to mental health services was also inadvertent, resulting

from a much less complicated mistake. “The mental health cuts were a typographical error, frankly.” She said House members meant for the funding level to be approximately \$143 million, but “somebody hit an extra one” and turned the number into \$114 million. The House passed a trailer bill last spring to correct the issue, Feigenholtz said, but the Senate did not take it up for a floor vote. She said that before yesterday’s vote to reallocate funds, the human services budget “was heading in the opposite direction than the committee had intended to move.”

Moscato Howe said addiction treatment providers had cut programs, laid off workers and extended waiting lists in the last six months because of what is now being described as an accidental cut. “We’ve been cut every single year. Without this restoration, we were down 50 percent from where we were in FY [20]09.” She said that addiction treatment has never been funded to a level that could offer “treatment on demand,” but she said new funds should help cut wait times for patients.

Feigenholtz said she hopes human services will stop being a primary target for cuts. While human services have seen some cuts during the current budget crisis, providers have also had several brushes with the possibly of debilitating cuts, only to have them scaled back at the 11th hour. “Human service providers, just like any businesses in this state, deserve predictability,” she said. “We have to get them off this roller coaster.”

Those hoping for more education dollars were disappointed by the plan approved yesterday. No funds would be put back into general state aid, which was cut under the House budget passed last spring, or school transportation funding, which was cut by Quinn’s vetoes.

“It would be wonderful if we could [restore general state aid funds],” David Vaught, Quinn’s budget director said. “That’s a policy objective of the governor he’d very much like to see addressed. ...We’ve got a lot more to do on the education priorities.

“One hundred million dollars was vetoed out of the budget for education by the governor, and none of it was restored,” said Rep. Roger Eddy, who is a school superintendent in Hutsonville. “It was cut more than the other budgets.”

Eddy, who is the ranking Republican on the House education budgeting committee, pushed for more transportation spending in the FY 2012 that budget after Quinn had cut them from the FY 2011 budget. “All we’re doing is reimbursing districts for what’s required,” Eddy said. But Quinn removed the

money with his veto pen.

Eddy said that during negotiations for yesterday's deal, downstate lawmakers went through a list of funds looking for the approximately \$30 million they believe is needed to go toward transportation, and they offered to give up more than \$20 million out of funds that are vital to downstate Illinois. Eddy pointed specifically to \$4.5 million moved out of a tourism promotions fund, \$6 million from the Downstate Public Transit Fund, \$1.4 million from a conservation fund and \$1 million from a fund meant to address the digital divide that were included in the overall budget plan that passed yesterday.

“It’s almost like a bait and switch,” Eddy said. “Bottom line is, I’m not sure we would have agreed to taking that money out of downstate funds if it wasn’t going to go toward education.”

Vaught said Quinn’s administration negotiated with Republicans in both the House and Senate. “This agreement was put together with both sides of the aisle,” he said. “We did something that they haven’t been able to do in Washington -- you know, actually get both parties to agree to do spending changes and reductions.”

Pension fund

One fund transfer, out of a fund that feeds the State University Retirement System, raised eyebrows yesterday. Money from that fund, which contains dollars brought in from unclaimed property, normally goes into SURS, and then any shortfall from the required payment is covered through general revenue funds. The original budget did not appropriate \$95 million from that fund. According to Senate Democratic staff, the money was sitting idle and would not go into SURS without legislation to move it. Lawmakers voted to push the \$95 million into SURS and shifted the \$95 million from general revenue funds to other spending in yesterday’s plan. So after that shell game, the total amount of money that would have ended up in the pension system -- without lawmakers voting to add more -- is still there.

Posted by Illinois Issues Statehouse bureau at 6:17 PM 