

News

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. . . from the Illinois House of Representatives

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FORD TAKES CAUTIOUS APPROACH TO GOVERNOR'S BUDGET PROPOSALS

SPRINGFIELD – Before taking a position on the governor's budget proposal, state Rep. La Shawn K. Ford (D-Chicago) indicated that he wants to take some time and examine the ideas presented during the annual State of the State and Budget Address Wednesday.

"I think many of the Governor's proposals are good ideas—in theory," Ford said. "It's hard to be against health care coverage for everyone or increases in education funding, but it takes more than good ideas to make a financially sound budget. I need to take the time to thoroughly review these ideas and ask my constituents what they think about it and how they feel it will affect them."

The governor's budget relies heavily on the concept of a Gross Receipts Tax (GRT). According to the governor, manufacturing, retail, and wholesale businesses would pay a .5 percent GRT, while other businesses, such as service companies, would pay a GRT of 1.8 percent. The governor said this tax would be dedicated to increasing education funding by \$1.5 billion in 2008 and \$10 billion over the next four years.

The governor's budget proposal also included near-universal health care coverage in Illinois, which would be funded by a three percent payroll tax on businesses. The governor also proposed leasing the Illinois Lottery and claimed that this would bring the state \$10 billion in new revenue. The governor indicated that he would like that money directed to the underfunded state pension system. Finally, the governor proposed \$11 billion in capital project spending. Of that money, \$6.5 billion is in reappropriated funds and \$4.5 billion is new spending, which will cause the state to incur more debt.

"The Governor did his job today by delivering his budget address," Ford said. "Now it's time for the General Assembly to do our job, and that is to review what the Governor sends us and ask the tough questions. At the end of this session, we must have a balanced budget, and this is just the starting point in that process. We still have a lot of work to do."

For more information on the governor's budget, contact Rep. Ford's district office at (773) 378-5902.

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