Executive Summary

- This budget, which was muscled through the General Assembly by Chicago Democrat Leaders and the Governor, is a blueprint for financial disaster. House Republicans strongly oppose the current Democrat program of increased spending, adding programs we cannot afford, and rapidly escalating Illinois’ long term debt through pension raids and massive fund sweeps.

- The Democrats continue an unprecedented streak of borrowing and spending. This budget again fails to address the very real issues and budget problems faced by Illinois. Play now, pay later.

- The FY 2007 Democrats’ budget contains another $1.4 billion in new spending the state cannot afford bringing their 4 year total to more than $4 billion in new spending.

- The FY 2007 Democrats’ budget again features one-time fixes (pension raids, fund sweeps, etc) with no way to pay for their proposed new spending. Bloated borrowing puts our state's financial health at serious risk. Borrowed money is not real money.

- The Democrats will raid $1.1 billion from the state’s pension system to pay for the FY 2007 budget. This is year two of a five-year pension raid of $3.5 billion that will cost taxpayers $38.5 billion to repay.

- The budget also continues to raid special state funds by $159 million.

- Despite a lagging economy, employers are again being targeted under this budget with $24 million in onerous tax increases.

- This is all taking place as our debt continues to soar. The state’s backlog of unpaid Medicaid bills is expected to reach almost $2 billion by June 30th.

- Debt service in FY 2007 is expected to be approximately $1.6 billion, which is more than the budgets of the Department of Corrections $1.2 billion or the Department of Children and Family Services $1.3 billion.

- Because pension raids and bond indebtedness are not glitzy campaign issues, taxpayers have yet to pay attention this year. But this issue is set to explode.

- Illinois should meet existing obligations before creating and enacting expensive new programs, most of which have recurring costs.

- This uncontrolled history of excessive borrowing and spending is placing our government and the taxpayers of Illinois in serious financial jeopardy. It will leave our children and grandchildren with huge tax increases to pay off the state’s debt. We must put an end to the borrow-and-spend cycle that is the policy of the Democrat leaders in Illinois government.