



OFFICE OF THE GOVERNOR

NEWS

ROD R. BLAGOJEVICH – GOVERNOR

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Governor Blagojevich signs FY08 budget; cuts nearly \$500 million in ‘pork’ and non-essential spending

State will make record investment in education and increase access to healthcare to 500,000 more people

SPRINGFIELD – Governor Rod R. Blagojevich today signed the state’s Fiscal Year 2008 budget, and exercised his veto authority to remove nearly \$500 million in ‘pork’ projects and other spending the state cannot afford from the operating budget approved August 10 by the General Assembly. With the Governor’s vetoes and reductions, general revenue spending in the FY08 budget reflects a 5.9 percent increase over FY07.

“As I said when the legislature passed this budget – it leaves a lot of important business unfinished. While I’m pleased that we’re making a record investment in education, families across the state are still being priced out of health coverage and don’t have a way to see a doctor when they need to. A budget should reflect the priorities of the people who elected us to make their lives better. That’s why I’m removing almost \$500 million in special pet projects and other spending that we simply can’t afford. And at the same time, we’re preparing new rules and administrative changes that will give half-a-million Illinoisans access to healthcare. 250,000 women in Illinois will be able to get screened and treated for breast and cervical cancer. These changes improve the budget that lawmakers sent me. But there’s more to be done. I look forward to working with them on a capital bill to provide funding for mass transit, and aging infrastructure like roads and bridges,” said Gov. Blagojevich.

In the budget the Governor signed today, he cut a total of \$463 million in spending:

\$15.8 million reduced from constitutional office budgets for personnel and other grants;

\$141.3 million reduced from legislative add-ons; and

\$306 million reduced in other agency spending.

Many of the legislative add-ons that were eliminated had little to do with the core mission of state government, such as funding for:

- outdoor volleyball court improvements

- an international dance exhibition
- a foreign delegation for a sister city program
- a drill team
- an elevator for event catering at a private cultural center
- parking lot and gymnasium improvements for private schools
- beautification project for a national railroad company
- planning funds for an Arboretum

Last week Gov. Blagojevich announced his plan to use his executive rule-making authority to bolster state healthcare programs and give 500,000 more Illinoisans access to affordable health coverage and services, including;

- Every uninsured woman in Illinois will be eligible to get screened and treated for breast and cervical cancer, greatly improving cancer outcomes and saving lives.
- Poor adults who are not eligible for Medicaid will have the chance to see a doctor regularly and get the prescription medications they need.
- More working and middle-class uninsured parents will receive access to health coverage at affordable rates through the Family Care program.
- Children in the All Kids program who have pre-existing conditions will continue to have access to affordable health insurance up to age 21.
- Families struggling with the high cost of health insurance premiums will be able to apply for yearly subsidies worth 20% of their annual premiums, up to \$1,000.

A summary of the FY08 budget and veto is attached. The full veto will be posted at: <http://www.ilga.gov/legislation/billstatus.asp?DocNum=3866&GAID=9&GA=95&DocTypeID=HB&LegID=32916&SessionID=51>.

FY 08 Budget Fact Sheet

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| Total FY 08 Operating budget after veto: | \$50.7 billion |
| Total FY 08 GRF budget after veto: | \$27.48 billion |
| Increase over FY 07 GRF budget: | \$1.723 billion |
| Increase over FY 07 by %: | 5.9% |
| Total reduction from FY 08 budget passed by GA: | \$463 million |
| Percent of FY 08 budget reduced by veto: | 1.7% |

Of the \$463 million reduced by veto:

\$15.8 million represents reductions to constitutional offices for personnel and other grants

\$141.3 million represents reductions to legislative add-ons

\$306 million represents reductions to other agency spending