

Munger: Illinois on pace to dig \$6.2 Billion deeper in debt this year

February 3 2016 7:39 AM



CHICAGO - Comptroller Leslie Geissler Munger announced Tuesday that the State of Illinois is on pace to spend an additional \$6.2 billion more than it receives in revenue this fiscal year alone if the state continues its current rate of spending without a budget.

The state's Chief Fiscal Officer, Munger said the deficit projection is higher than originally projected because court orders and consent decrees are requiring spending at FY 15 levels or whatever is required to maintain existing service levels, regardless of the cost. Specifically, the state Department of Human Services and the Department of Healthcare and Family services are on pace to exceed last year's appropriations by \$1.2 billion.

At the same time, Illinois is bringing in about \$5 billion less in revenue annually primarily because of the sunset of the temporary income tax increase.

"When you put it together, it's \$6.2 million more in debt for a state that already had a multi-billion bill backlog," Munger said. "The situation without a budget is a little like a credit card limit. You can spend until you hit that limit - but in this case, the courts have essentially removed the limit and the state has blown through the caps to the tune of \$1.2 billion. Without a budget, the spending is open-ended and our fiscal path is catastrophic."

Munger said a balanced budget is needed for the state to reclaim its controls over spending and revenue. She's hopeful the Governor and legislative leaders can build on the agreement they reached in December that allowed state payments to flow again to domestic violence centers, 911 centers, Lottery winners, and struggling local governments.

"Now is the time to build on that momentum. It is time to set aside differences which have become all too apparent over the past year and reach an agreement that will allow Illinois to move past this budget impasse and ensure it can keep its promises to taxpayers and organizations for years to come," Munger said. "I am an optimist. I believe it will happen. And my office will continue to provide information and resources to all involved in order to move Illinois forward."