



Gary Rabine: Illinois Credit Rating Goes From ‘Worst’ To ‘Worst’

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Woodstock – Gov. Pritzker may be patting himself on the back for the uptick in Moody's ratings of Illinois' General Obligation bonds, but Gary Rabine, a candidate for Governor, says the truth is that federal spending is masking the state's irresponsible fiscal policies and the state still has the worst credit rating of all 50 states.

Moody's has upgraded Illinois' General Obligation bonds rating from Baa3 with a stable outlook to Baa2 with a stable outlook. Bond ratings impact the interest rates states pay to borrow money. The better the rating, the lower the interest cost to borrow money. A Baa2 rating still carries substantial risk for a lender. Illinois' credit rating still ranks the worst in the nation.

Rabine said, "what this essentially means is that Illinois has moved from junk bond status to just barely above junk bond status. This is hardly a sea change and yet the Democrats in Springfield are breathless with excitement."

Gov. Pritzker told the press: "It's a huge note of progress for our state and I am very proud."

Rabine said the reason for the slight gain in the state's bond rating is the amount of federal dollars being infused into the Illinois economy. Pritzker could truly be proud if the influx of federal dollars inspired him to tighten the belt of out-of-control spending and lessened the tax burden to all Illinois families and small businesses, but that is not the case. According to the [Committee for a Responsible Federal Budget](#), federal spending stands at about \$138 billion between the public and private sector and another \$24 billion has been approved for Illinois.

"Money flowing into the private sector from the federal government has increased tax revenues, which has improved the state's financial outlook, not to mention the billions flowing directly to the state," Rabine said. "The only reason Illinois is making any kind of improvement in the Moody's rating is because of federal spending."

Rabine said the latest budget signed into law continues the reckless spending policies that have made the state's credit rating a bad bet for investors.

"While simultaneously complaining about the need to raise taxes, Gov. Pritzker has managed to spend more money than any Governor in the history of the state every year he has been in office," Rabine said. "The budget gives the Democrats a billion dollars in pork projects. It increases legislative pay and takes away tax incentives that amounts to about a \$600 million tax increase on Illinois businesses. More jobs will leave because of these tax increases!"

“Legislative increases and pork barrel spending should have been held back so taxes could have been stabilized or lowered for job creators slowing the exit of jobs from our state. Instead of patting themselves on the back, we need our state’s leaders to deal with the real financial challenges facing our state and recognize the reality of our situation. Without the federal money flowing into our state, we would be on the precipice of bankruptcy and insolvency. Pretending all is well is irresponsible and not an honest accounting of what is really happening within our state’s borders. Once the federal money is gone, our credit rating will be the least of Illinois’ problems. Pritzker is proudly patting himself on the back, but we the people should be verbally kicking him in the butt.”