



STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
SPRINGFIELD, ILLINOIS 62706

Pat Quinn
GOVERNOR

June 30, 2011

To the Honorable Members of
The Illinois House of Representatives,
97th General Assembly:

House Bill 3717 appropriates money for the operation of state government for fiscal year 2012. As public servants, we have the unique opportunity to revive our economy while enacting reforms that will create jobs, educate our youth, protect our most vulnerable and keep our communities safe. Implementing the budget is not a one-day event, but rather, like budgeting, a year-round process, filled with robust debate and difficult decisions. Indeed, while budgets are often viewed in the context of a single fiscal year, budgetary decisions made in any given fiscal year can have long-term consequences that impact and often limit budgetary options and decision-making in future fiscal years. With this in mind, and after carefully reviewing the budget passed by the General Assembly, I have identified areas for further development, improvement and reduction.

Today I am enacting a \$32.987 billion fiscal year 2012 general revenue funds budget. Overall, I am reducing the budget passed by the General Assembly by \$376,438,750 in general funds and \$336,158,900 in other state funds, for a total overall budget reduction of \$712,597,650. We need to come together to reduce our growing Medicaid liabilities to address the fact that the General Assembly shifted \$1.2 billion of fiscal year 2012 Medicaid costs into fiscal year 2013. Neglecting our bills today only creates bigger problems for tomorrow—an ill-advised strategy that, together with the poor fiscal discipline exercised by previous administrations, has created and will exacerbate the staggering backlog of unpaid bills we face today. With these reductions, I am implementing smart efficiencies and reforms that will support Illinois on its continuing path to fiscal and economic recovery.

Illinois leads the Midwest in job creation, creating more than 100,000 jobs since January 2010. Also in 2010, Illinois exports, which support more than half a million Illinois jobs, increased by 20 percent.

We need to invest in education by reducing high administrative costs and reallocating those funds to the classroom, particularly in early childhood education and general state aid. I have also emphasized the need to protect our most vulnerable, our veterans, and those who put their lives on the line to keep our communities safe.

I look forward to continued work with all four caucuses to discuss the serious challenges of stabilizing our budget and creating jobs, as well as the important and ongoing issues surrounding payment of Illinois' overdue bills.

With respect to House Bill 3717, I have reduced the line item appropriation for Medical Assistance: Hospitals by \$276,000,000 to achieve additional cost savings.

Therefore, pursuant to Article IV, Section 9(d) of the Illinois Constitution of 1970, I hereby return House Bill 3717, entitled "AN ACT making appropriations" with reduction vetoes in appropriations totaling \$276,000,000.

Reduction

I hereby reduce the appropriation item listed below and approve each item in the amount set forth in the "Reduced Amount" column below:

Article	Section	Page	Line(s)	Amount Enacted	Reduced Amount
6	15	30	12	2,260,976,500	1,984,976,500

In addition to this specific reduction, I hereby approve all other appropriation items in House Bill 3717.

Sincerely,

Pat Quinn
Governor