



HR0121

LRB102 15792 MST 21159 r

1

HOUSE RESOLUTION

2 WHEREAS, The State of Illinois has faced years of
3 financial instability and mismanagement; years of routine
4 promises made about grandiose spending plans that were never
5 consistent with actual state revenues have resulted in budget
6 deficits that have collectively culminated in the current
7 bleak fiscal condition of the State of Illinois; and

8 WHEREAS, When crafting and subsequently presenting FY21
9 budget projections, Governor Pritzker's administration
10 consistently relied on fictional revenue to balance his budget
11 proposals or highlight his spending priorities; and

12 WHEREAS, The Governor has a history of taking action to
13 increase state spending by billions of dollars without
14 offering or passing real and concrete revenue solutions to pay
15 for them; and

16 WHEREAS, Governor Pritzker's FY21 introduced budget relied
17 on \$1.4 billion in so-called "Fair Tax" revenues that, at the
18 time, were not approved by the voters; adding to this budget
19 deficit variable, the State and country were later impacted
20 with the Covid-19 pandemic, which caused significant harm to
21 the State's economy and revenue outlook; and

1 WHEREAS, By May 2020, the majority party and the
2 Governor's Administration were busy negotiating, discussing,
3 and ultimately drafting the FY21 budget, which,
4 unsurprisingly, relied on the ill-advised revenue projections;
5 and

6 WHEREAS, Democratic members of the House and Senate passed
7 a budget for Fiscal Year 2021 that, at the time, reflected an
8 estimated \$6.2 billion structural deficit, despite pleas by
9 Republican members of the legislature to take into account the
10 economic realities of the time; and

11 WHEREAS, Governor Pritzker signed the FY21 budget, knowing
12 that it was \$6.2 billion out-of-balance and was going to be
13 funded by potentially \$5 billion in borrowing from the Federal
14 Reserve, \$1.2 billion from imaginary "Fair Tax" revenue or
15 additional borrowing, federal bailouts, and cuts by his
16 administration; and

17 WHEREAS, In the middle part of FY21, the Illinois economy
18 showed more resilience than was anticipated, causing the
19 Governor's Office of Management and Budget, in November 2020,
20 to revise their revenue estimates upwards by \$2.25 billion,
21 leaving a budget deficit of \$3.9 billion; and

22 WHEREAS, In December 2020 at the direction of Governor

1 Pritzker, the State of Illinois borrowed \$2 billion through
2 the Municipal Liquidity Facility (MLF) at the Federal Reserve
3 in an effort to close the budget deficit; and

4 WHEREAS, Now, well into FY21, Governor Pritzker has
5 recently publicly submitted \$700 million in cuts and
6 efficiencies to help balance the deficit spending budget that
7 he knowingly signed; the \$2 billion in borrowing coupled with
8 the \$700 million in cuts leaves the FY21 budget at least \$1.2
9 billion in the red; and

10 WHEREAS, In early January 2021, the Governor's Office
11 surprised the General Assembly with a proposal to decouple
12 from federal tax changes authorized under the bipartisan CARES
13 Act, which would create a \$500 million to \$1 billion tax
14 liability on small businesses; and

15 WHEREAS, The testimony on the floor of the House of
16 Representatives indicated that the administration knew about
17 the decoupling issue by at least October of 2020, despite the
18 CARES Act becoming law in the spring of 2020 and several states
19 taking action to decouple from these changes in the interim;
20 and

21 WHEREAS, Updated revenue estimates by GOMB in April and
22 November 2020 failed to capture the revenue loss Illinois

1 would experience due to the tax changes in the CARES Act; and

2 WHEREAS, Governor Pritzker has made it clear that he
3 believes that the wealthy, like him, should and want to pay
4 more in state income taxes; the proponents of the so-called
5 "Fair Tax", then, should perhaps be given the opportunity to
6 nevertheless make voluntary contributions to the State of
7 Illinois; and

8 WHEREAS, These donations from the generous and wealthy
9 members of our state, like Governor Pritzker, could, indeed,
10 go a long way in helping close the budget hole; and

11 WHEREAS, The State of Illinois currently does not have a
12 mechanism by which Illinois residents can voluntarily make
13 donations to the State of Illinois at the time of income tax
14 filing or payment; and

15 WHEREAS, In order to allow proponents of increased
16 taxation to have an opportunity to make voluntary tax
17 contributions to the State, Governor Pritzker and the Illinois
18 Department of Revenue should make an effort to explore options
19 to implement a process by which taxpayers can make voluntary
20 contributions to the State; therefore, be it

21 RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE ONE

1 HUNDRED SECOND GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that
2 we urge the Governor and the Illinois Department of Revenue to
3 explore administrative or legislative options that will allow
4 Illinois residents to voluntarily contribute any amount in
5 excess of what they are required to pay the State of Illinois
6 under Illinois income tax laws; and be it further

7 RESOLVED, That a suitable copy be delivered to the
8 Director of the Illinois Department of Revenue and the
9 Governor's Office.