

State of Illinois
OFFICE OF THE GOVERNOR
Springfield, Illinois 62706

George H. Ryan
GOVERNOR

August 15, 2001

To the Honorable Members of
The Illinois Senate
92nd General Assembly

Pursuant to Article IV, Section 9(b) of the Illinois Constitution of 1970, I hereby veto and return Senate Bill 326 entitled "AN ACT relating to schools."

Senate Bill 326 amends the School code to allow for a tax-equivalent grant to be paid to a school district (other than the Chicago school district) if a United States military installation or base is located in the district. Further, it provides that the school district must have students residing on the military installation or base who are in attendance in the district.

Assuring that children have the resources they need for a good education is certainly a priority of my administration. However, this legislation would set a precedent that the State supplement federal impact aid with State general revenue dollars. According to the Illinois State Board of Education it is estimated that Senate Bill 326 would cost the State of Illinois approximately \$600,035 a year. This amount would rise and fall yearly with changes in local property value. The funds for these impact grants to school districts impacted by federal military installations are to be made from a line item specifically appropriated for this purpose. No such funds were appropriated.

It has been argued that the Federal government should have the same responsibility as the State in funding education in this situation and therefore, should help to defray the cost of the tax equivalent grant. It was also argued during the House debate that the Federal government has an obligation to assist these school districts and the financial needs of all school districts must be considered. This legislation would set a bad precedent of using State resources to fulfill the financial responsibility of the Federal government.

For these reasons, I hereby veto and return Senate Bill 326.

Sincerely,
George H. Ryan
GOVERNOR