



A Union of Professionals

1274 Newsline



North Suburban Teachers Union – Local 1274, CFL, IFT/AFT, AFL-CIO

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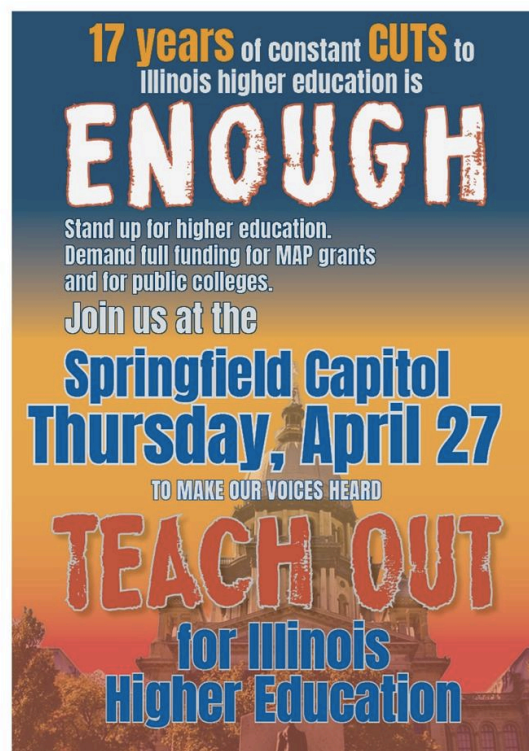
Illinois Budget Crisis: Rauner's Choice

On Tuesday, February 21st, the North Suburban Teachers Union hosted a forum to discuss the Illinois Budget Crisis. Speakers included IFT President Dan Montgomery, University Professionals of Illinois President John Miller, State Senator Daniel Biss, Bobby Otter from the Center for Tax and Budget Accountability (CTBA), and Amisha Patel of the Grassroots Collaborative. Together, they explained the causes of the problem and offered powerful alternatives.

Dan Montgomery described the crisis in Illinois as a crisis by choice – Rauner's choice. The Governor blames our problems on the working class, who, in his world-view, has too much power. His solution - the "turnaround agenda" - is therefore an all-out attack on workers' rights. In the face of opposition, Rauner's strategy has been to refuse to approve any budget that does not contain parts of his agenda. The budget stalemate has now lasted almost two years, with disastrous consequences. (See more in Steve Grossman's essay on page 3.)

One victim of Rauner's obstinacy is Illinois' system of public higher education, once the envy of many other states. John Miller, who represents 3,600 IFT members from universities such as Chicago State, Eastern Illinois, Northern Illinois, Northeastern Illinois, Western Illinois, and University of Illinois at Springfield, described a "crisis of unimaginable proportions." During the budget stalemate, these institutions have been operating with only a fraction of normal pre-Rauner state funds. As a result, employees are being laid off and required to take unpaid furlough days; programs are being eliminated; enrollment is decreasing; and students with the greatest need are unable to get financial assistance from the state. "Our state deserves better," he concluded. (See details on page 2.)

Bobby Otter, of the nonpartisan and nonprofit CTBA, detailed the causes of Illinois' structural deficit and suggested solutions. Referring to Rauner's budget proposals as "deficit magic" made up of "fiscal unicorns and pixie dust," Otter offered facts and statistics to demonstrate that Illinois' fiscal crisis has been caused by inadequate revenue and not by overspending, as Rauner maintains. He pointed



IFT members are urged to attend a rally to support funding for higher education in Springfield on April 27th. For more information or to sign up for buses, go to www.upi4100.org.

out that while Illinois is one of the wealthiest states in the nation, we rank 47th out of 50 states in spending on social services.

At the same time, under Rauner, the state let a temporary income tax increase expire, lowering the rate from 5 to 3.75%, blowing a \$6 billion hole in the budget. Otter argued that if we don't make some changes in our tax laws, our deficit will be \$20.3 billion in 2018. His solutions include a progressive income tax - one that increases with

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one's ability to pay - to replace our regressive flat tax. This would require a voter-approved amendment to the Illinois constitution. He also suggested that Illinois, like other states, begin including certain services in our sales tax instead of just taxing goods.

State Senator Daniel Biss, who has since announced his candidacy for governor, referred to Rauner's plan as the "Race to the Bottom." He pointed out that Illinois' economy has actually grown for two generations, but most of the profit has gone to the top. Biss's message was about lifting up workers in order to have a growing middle class with the public services people want and need. He concluded by saying, "If you invest properly, you're investing in yourselves, counting on people, not going after people. There's no more time to lose."



State Senator Daniel Biss spoke at the Forum on the Illinois Budget.

Fact: In 1965, 40% of Illinois' GDP came from the sale of goods, while 51% came from services. Today, goods only account for 17% of GDP, while services account for 73%. Yet Illinois, unlike neighboring states, does not tax services. (CTBA)

Amisha Patel, director of the Grassroots Collaborative, described her organization's People's Agenda, which calls on politicians to put people first. Like the other speakers, she urged passage of a progressive income tax, which would have to be passed by the legislature by May of 2018 in order to appear on the November ballot. Patel's impassioned presentation urged workers to get out and educate voters about the true causes of the crisis, confront politicians to do what's right, and then bring people to the polls. (To see the People's Agenda in its entirety, visit www.grassrootscollaborative.org.) ■

Fact: If Illinois amended its constitution to allow a progressive income tax, it could cut taxes for 94% of all taxpayers (those with income under \$150,000); raise at least \$2.4 billion annually in new revenue; and keep the effective tax rate for millionaires at just 4.3%. It could also create 36,000 new jobs through enhanced public and consumer spending. (CTBA)

Disaster for Higher Ed: "Unimaginable"

At one time, Illinois was a national leader in providing access to higher education, largely through its system of public colleges and universities. As recently as the 1990s, we led the nation in the proportion of young people enrolled in college and were successful in helping Illinois families afford a college degree through programs like MAP (Monetary Assistance Program).

In the last few years, all of that has changed. Even before Rauner was elected, Illinois cut over a half a billion dollars in funding for public colleges and universities. According to the CTBA, per-student funding of Illinois higher education fell to less than half of its 2008 levels; only Arizona cut more.

But when Governor Rauner was elected, things got much worse. With no budget, none of Illinois' nine public universities have received a full year of operating funds in



Above, protestors at Western Illinois University urged support for a bill to provide financial aid to students. Rauner vetoed it.

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From the President: What Rauner Wants (and we must resist)

On the campaign trail in 2014, then candidate Bruce Rauner promised his party's faithful that if elected "we may have to go through some tough times...shut things down for a little while" to enact the drastic changes that he was seeking to make. Governor Rauner has fulfilled that promise and the entire state is suffering as a consequence.

Illinois is in its current crisis because we are going on our third year without a budget, preventing funding for essential services and driving up a \$13 billion backlog of unpaid bills. Why no budget? Because Governor Rauner has chosen – as he promised – to hold the budget hostage in exchange for items on his so-called "turnaround agenda" that are unpopular with voters and unlikely to pass through normal legislative means.

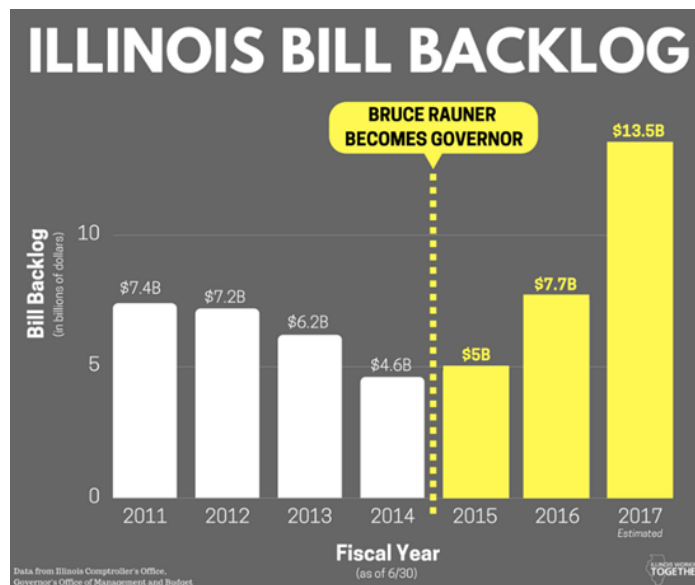
Rauner often blames the General Assembly, in particular House Speaker Madigan, for the standoff. But the Illinois Constitution is clear about who is responsible for proposing a budget. It states that "the Governor shall prepare and submit to the General Assembly...a state budget for the ensuing fiscal year." It goes on to say, "proposed expenditures shall not exceed funds estimated to be available..." In other words, the budget must be balanced.

But Rauner has yet to propose a balanced budget, offering instead budgets with deficits of \$6.6 billion (FY16), \$6.6 billion (FY17) and \$7.2 billion (FY18). Though we have had our own issues with the Speaker over the years, we have never seen the level of political dysfunction that Rauner has brought. Indeed, Illinois has had a budget for all but two of its almost 200 years of statehood.

It is true that Rauner cannot pass a budget alone. Doing so will require compromise with the Democratically controlled General Assembly. That normally means that the two sides must compromise on their competing priorities for spending and revenue. But that is not the game that Rauner is playing. Instead he has thrown into the works a stew of proposals unrelated to the budget, driven by his own priority to enhance the power of those who are already powerful – the business class and wealthy elites.

And what are some of Rauner's demands? Here is what he wants:

- ♦ **Term limits**, to end the current Democratic majority in the legislature;
- ♦ **Workers' compensation reform** that targets disabled workers, reducing their ability to receive relief from lost wages due to workplace related injuries;
- ♦ Drastic **cuts to your pension benefits**, offering you a choice of either basing your future pension on the salary that you earn today without regard to your future earnings, or giving up the cost-of-living increases in retirement that are currently guaranteed;
- ♦ **A property tax freeze** that might be popular with voters (especially those owning expensive properties like Rauner, who has homes in Illinois valued at close to \$10 million) but would starve school districts and other local government agencies from needed funding;
- ♦ And of course, his number one priority – **denying collective bargaining rights** to workers.



The result of Rauner's government shutdown strategy has been devastating to the state. The chart on the left shows the growth in the backlog of unpaid bills since Rauner has been governor.

This means that individuals and businesses who have contracts with the state to provide essential services are going unpaid, leaving those in need of services wanting. As you can read in these pages, higher education has been

particularly hard hit. We will clearly need to do all that we can in 2018 to rid the state of Rauner but the question remains of how much damage he will continue to cause in the meantime.

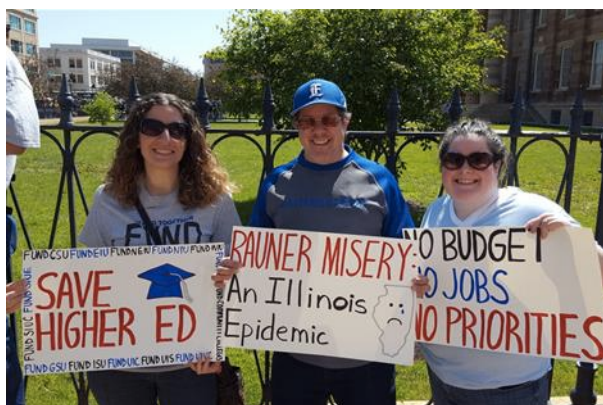
In Solidarity,



Disaster for Higher Education

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the last 23 months. Despite passage of two stopgap spending measures last year, public universities have been forced to slash budgets. At many places, insurance costs have doubled and employees have been laid off or required to take unpaid furlough days. Art and science professors must purchase their own supplies. Western and Eastern Universities are eliminating basic liberal arts classes and entire programs, such as Philosophy and Women's and African American studies. And while public universities have tried to make up for the loss of state MAP grants, there is simply no room in their budgets to keep pace with need.



At the same time, the budget crisis has led to lower enrollments since students cannot be certain that Illinois institutions will be adequately funded or that they will be able to get financial aid. This has disproportionately affected universities that serve low income and minority populations. With high tuitions and less financial aid, it is now less expensive, in some cases, for Illinois students to attend out-of-state schools. Illinois has become an "exporter of students;" it has also become an exporter of professors, who are also fleeing to more stable positions in other states.

As UPI President John Miller said at our Illinois Budget Crisis Forum in February, the dimensions of the crisis are "unimaginable." As the budget stalemate continues, the future of our public universities is uncertain at best, as is our ability to nurture a well-educated pool of workers who can help boost our economy. ■

Fact: At the beginning of this academic year, Chicago State had only 86 freshmen and total enrollment was down to less than half of 2010. Similarly, Eastern and Western Illinois Universities both suffered enrollment declines of 25%.

NTSU CARES

The NSTU has initiated a program to get members more involved in community activities, called NSTU Cares. The goal is to build a coalition of partners and supporters in the community and to show that the union is about more than contracts, grievances and politics.



A committee will be formed consisting of 1-2 members from each council to plan and coordinate events, and then act as promoter in his/her council. Examples of community involvement might include food, clothing, and school supply drives; events for charity such as runs/walks, Bowl-A-Thons, Bags Tournaments, etc.; joint events with other local unions (police, fire, etc.), PTOs, or community groups; volunteering at Bernie's Book Bank or Feed My Starving Children.

We need members to volunteer some time and energy to get the NSTU Cares program started. It is a great way to initiate one-on-one conversations with members and provide a way to motivate more members to get more involved and take pride in being part of their union.

If you'd like to help make a difference in your union and community, talk to your union representative or call Lenny Nieves at 847-673-1274. ■

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**9933 N. Lawler, Suite 222
Skokie, IL 60077**

847-673-1274 Fax: 847-673-6079

Officers

Steve Grossman, President
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Field Service Directors

Lenny Nieves and Cameron Sweeney

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Questions and/or comments?

Please contact:

Janet Kelsey, Newsline Editor
847-424-9117
janetkelsey51@gmail.com

