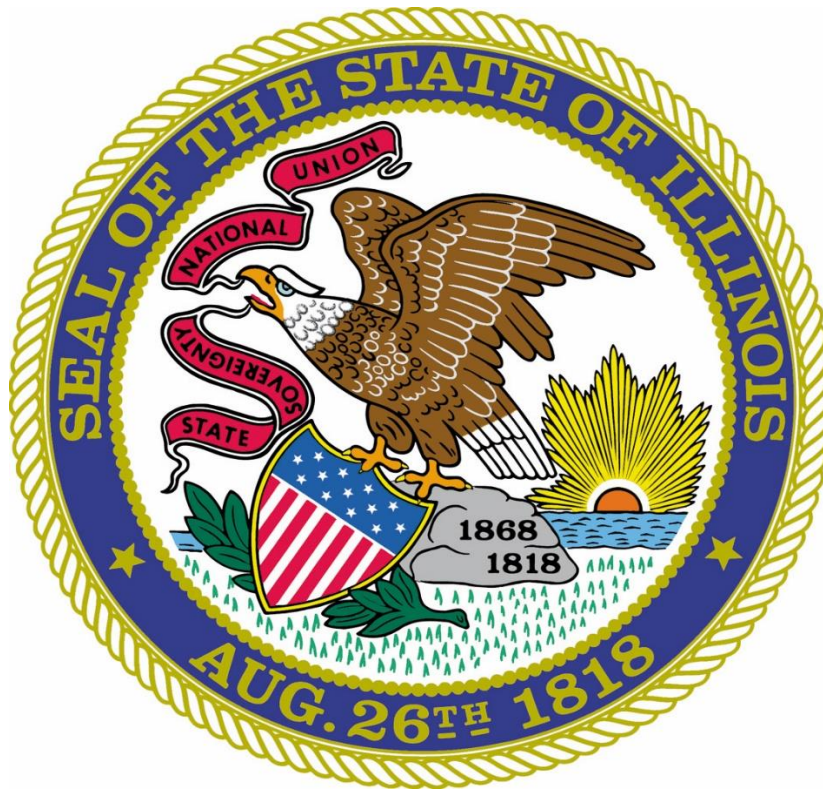


# **3-Year Budget Forecast FY 2021 – FY 2023**



*Commission on Government  
Forecasting and Accountability*

*March, 2020*

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## **INTRODUCTION**

As part of Public Act 96-0958, the Commission on Government Forecasting and Accountability has been directed to **“...develop a 3-year budget forecast for the State, including opportunities and threats concerning anticipated revenues and expenditures, with an appropriate level of detail.”**

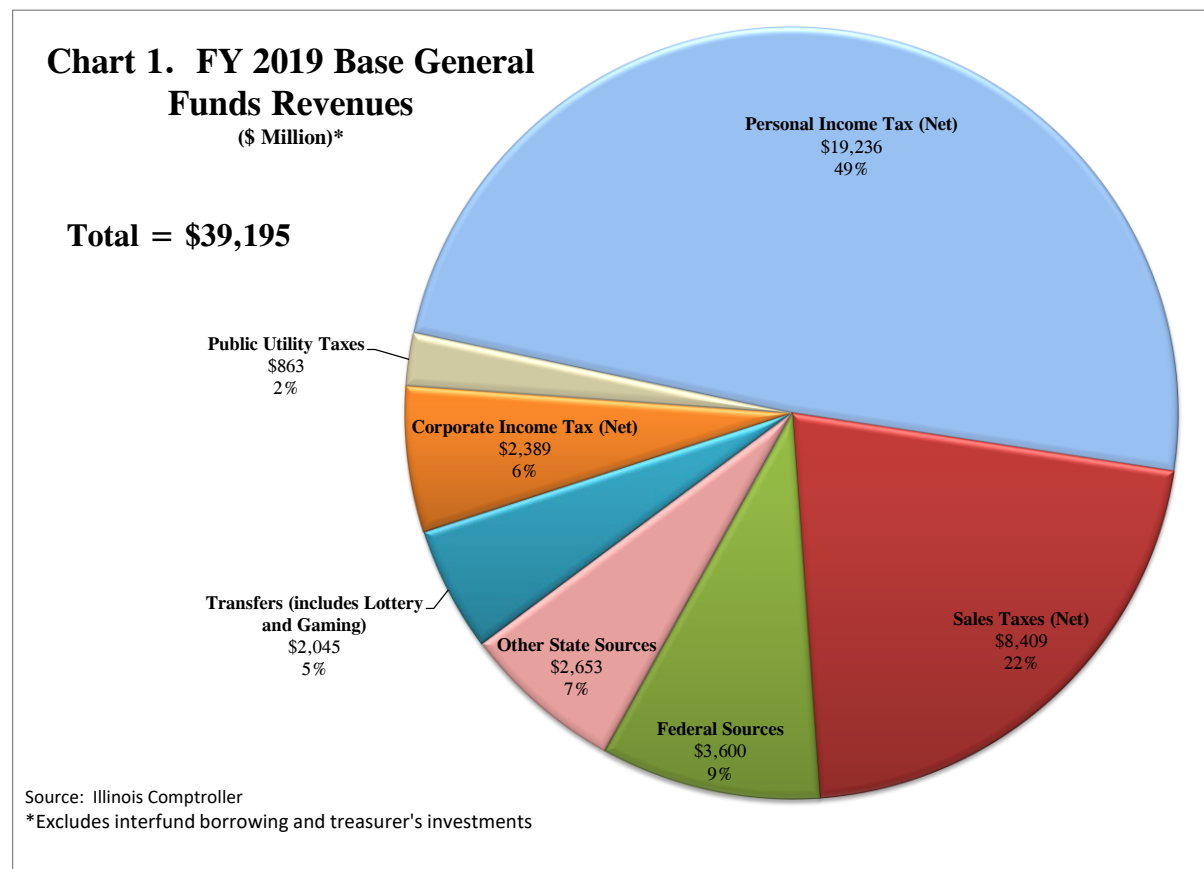
This report represents the Commission’s mandated 3-year budget forecast. It begins with an examination of the State of Illinois’ General Funds revenues and expenditures over the last 20 years, and then considers threats and opportunities to Illinois’ budget. Finally, it concludes with potential 3-year budget results based upon scenario analysis.

## I. Illinois' Budget History

To begin analyzing Illinois' budget, an assessment of historical General Fund revenues and expenditures was conducted. The examined data was from the Illinois State Comptroller's annual report entitled "Traditional Budgetary Financial Report." The composition of base revenues and expenditures was evaluated. In addition, growth rates for both revenues and expenditures were calculated over various time periods. These assessments were then used to assist in the Commission's 3-year budget forecast.

### Revenues

Base General Funds revenue totaled \$39.195 billion in FY 2019. This was an increase of \$817 million, or 2.1%, from FY 2018's level of \$38.378. The largest component of base revenue came from the Personal Income Tax (Net) which totaled \$19.2 billion after refunds and mandated transfers. Personal Income Tax (Net) made up just under 50% of Total State and Federal Sources. Sales tax accounted for just over 20% of total revenue at \$8.4 billion. Together these two sources were up over \$2.1 billion in FY 2019 but this was somewhat offset by Federal Sources. Federal Sources contributed \$3.6 billion which was a significant decline from the \$5.2 billion in FY 2018. The chart below illustrates the major sources of revenue for the State.



Appendix A, at the back of this report, shows historical totals for General Funds revenue from FY 2010 to FY 2019. Three sources, Personal Income Tax, Sales Taxes, and Federal Sources, annually contributed approximately 75% to 80% of total revenue. The proportional make up of General Funds revenue has been relatively steady over the last decade though Federal Sources is highly dependent on reimbursable Medicaid spending. Federal Sources have varied from about 8% to 20% of base revenues depending upon the fiscal year. Federal Sources comprised over 20% of base revenues in FY 2009 and FY 2010 due to the federal stimulus plan but have made up only 8% to 9% in recent fiscal years. In FY 2018, the Federal Sources grew to over 13% due to increased spending made possible through bond sale proceeds but fell back to around 9% in FY 2019.

Due to the passage of P.A. 100-0022 in 2017, both the personal and corporate income tax rates were increased. As these changes were fully implemented, the growth rates for General Funds Revenue increased significantly. Overall, total base General Funds revenue grew over 30% in FY 2018. Over half of this growth was due to an almost \$5 billion increase from the Personal Income Tax. The other major source of growth was Federal Sources which contributed an additional \$2.7 billion in growth. This single year of extraordinary growth has significantly increased long-term growth rates.

In FY 2019, General Funds revenue grew only 2.1%. This is below the longer term averages. The 5-year average is 2.4%, while the 10-year average is a more robust 3.7% per year. The 15-year and 20-year averages are very similar at 3.4% and 3.3%, respectively. Average growth rates for the individual revenue sources can be seen in Table 1.

<b>GENERAL FUNDS REVENUE GROWTH RATES</b>					
<b>FY 2000 - FY 2019*</b>					
<b><u>Revenue Sources</u></b>	<b><u>1-Year Growth</u></b>	<b><u>5-Year Average</u></b>	<b><u>10-Year Average</u></b>	<b><u>15-Year Average</u></b>	<b><u>20-Year Average</u></b>
<b><i>State Taxes</i></b>					
Personal Income Tax (Net)	8.5%	4.6%	9.2%	7.9%	6.0%
Sales Taxes	7.7%	1.9%	2.3%	2.0%	2.1%
Other State Taxes	5.9%	3.9%	2.5%	1.4%	2.3%
Transfers (includes Lottery and Gaming)	-6.5%	5.4%	6.2%	1.6%	5.2%
Corporate Income Tax (Net)	18.4%	-0.8%	7.3%	9.4%	5.5%
Public Utility Taxes	-3.7%	-3.1%	-2.8%	-1.3%	-0.7%
<b><i>Total State Sources</i></b>	<b>7.4%</b>	<b>2.4%</b>	<b>5.3%</b>	<b>4.3%</b>	<b>3.8%</b>
<b><i>Federal Sources</i></b>	<b>-31.3%</b>	<b>7.6%</b>	<b>-0.6%</b>	<b>1.6%</b>	<b>3.1%</b>
<b><i>Total, Base Revenues</i></b>	<b>2.1%</b>	<b>2.4%</b>	<b>3.7%</b>	<b>3.4%</b>	<b>3.3%</b>

\*Excludes short-term borrowing, interfund borrowing, and other cash flow transfers

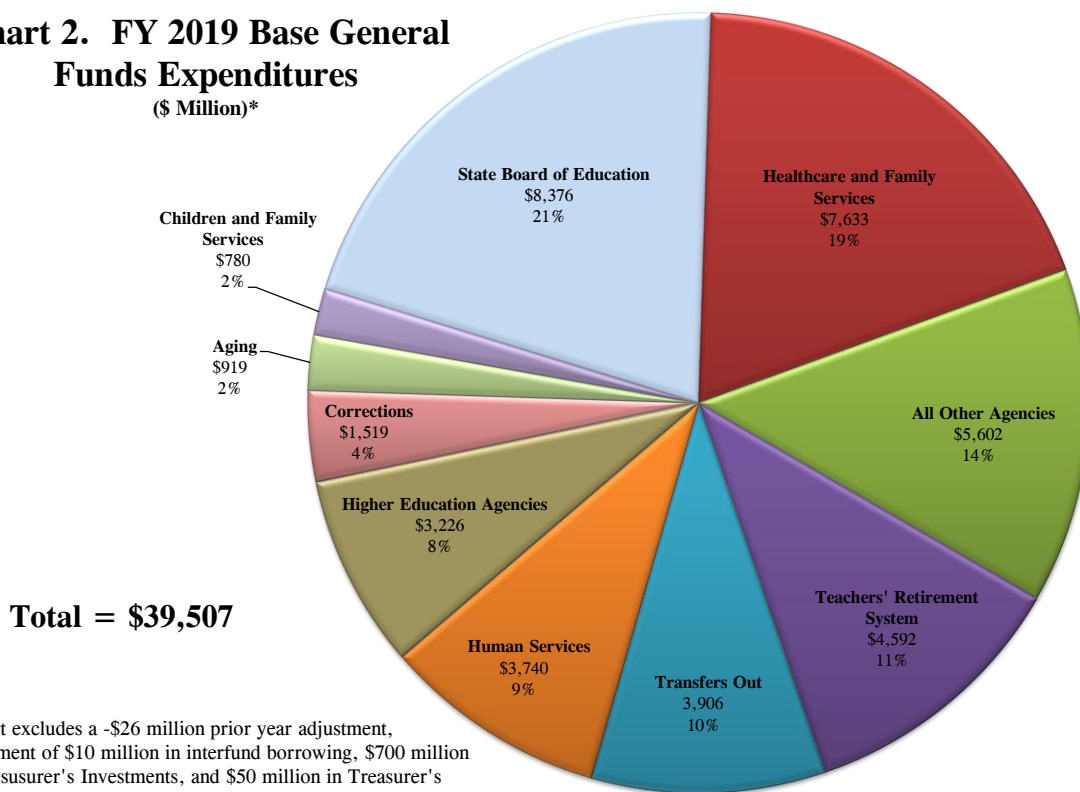
## Expenditures

Base General Funds expenditures were \$39.507 billion in FY 2019. This was an increase of \$644 million, or 1.7%, over FY 2018's expenditures of \$38.863. The largest source of expenditures was the State Board of Education which had total expenditures of \$8.4 billion which was an increase of \$175 million from FY 2018. The next largest expenditures were found in Healthcare and Family Services at \$7.6 billion.

The largest increase was seen in the All Other Agencies which rose \$515 million from \$5.1 billion to \$5.6 billion. The Teachers' Retirement System increased \$382 million, or 9.1%, to \$4.6 billion. One agency actually had declines in FY 2019. Corrections declined \$371 million to \$1.5 billion. This was a decline of almost 20%.

For a more detailed look at expenditures over the last decade, please see Appendix B in the back of this report.

**Chart 2. FY 2019 Base General Funds Expenditures**  
(\$ Million)\*



**Total = \$39,507**

\*Chart excludes a -\$26 million prior year adjustment, repayment of \$10 million in interfund borrowing, \$700 million in Treasurer's Investments, and \$50 million in Treasurer's Investments - Contingency Fund Exchange  
Source: Office of the Comptroller

Table 2 illustrates the growth of base general funds expenditures over the last 20 years. After two fiscal years (FY 2015 and FY 2016) with declines in total expenditures associated with the budget stalemate, the State increased spending significantly the following two fiscal years as the backlog of bills was reduced. The five-year average growth in base general funds expenditure stands at 1.9%, while the 10-year rate has grown at 2.2%. The 15-year average rises to 3.6%. The 20-year growth rate is a bit lower at 3.3%.

Looking at the individual agencies, the Teachers' Retirement System has a very large annual growth rate but this is due to an outlier fiscal year. In FY 2012, the State returned to funding the Teachers' Retirement System by using General Funds after two years of using mostly revenue from pension notes. This led to an increase of 874% in FY 2012. Trying to account for the years affected by the use of pension notes, expenditures have grown more in the range of 10% to 15% per year, which is still high, but not as high as when including FY 2012's outsized effect.

Long term growth rates at the State Board of Education funding has been around 3.1%, while Healthcare and Family Services has grown 3.4% to 4.0% per year. While the Department of Corrections was down in FY 2019, the department has averaged growth of 9.5% per year over the last five years though the long term rate is around 3.5%. While small, the Department of Aging has grown at over 8% per year over the last ten years and is likely to continue to grow quickly in the near term as the Illinois population continues to age.

For a more detailed look at expenditures over the last decade, please see Appendix B in the back of this report.

<b>TABLE 2. GENERAL FUNDS EXPENDITURES GROWTH RATES FY 2000 - FY 2019</b>					
	<b>1-Year Growth</b>	<b>5-Year Average</b>	<b>10-Year Average</b>	<b>15-Year Average</b>	<b>20-Year Average</b>
<b>WARRANTS ISSUED</b>					
<b>BY AGENCY</b>					
State Board of Education	2.1%	4.8%	1.5%	3.0%	3.2%
Healthcare and Family Services	0.4%	1.7%	-1.2%	3.4%	4.0%
Teachers' Retirement System*	9.1%	5.5%	82.8%	61.1%	48.0%
Human Services	2.7%	3.2%	-0.8%	0.4%	0.6%
Higher Education Agencies	2.7%	4.5%	6.0%	4.4%	3.5%
Corrections	-19.6%	9.5%	4.6%	3.8%	3.5%
Aging	2.9%	2.6%	8.0%	n/a	n/a
Children and Family Services	4.6%	2.9%	-1.3%	0.1%	-0.4%
All Other Agencies	10.1%	8.5%	14.1%	7.7%	6.6%
Prior Year Adjustments	-7.1%	135.7%	113.9%	58.9%	48.6%
<b>Total Warrants Issued (14 months)</b>	<b>2.8%</b>	<b>3.5%</b>	<b>2.5%</b>	<b>3.6%</b>	<b>3.5%</b>
<b>Transfers</b>					
Transfers Out	8.2%	-6.0%	-1.7%	6.9%	6.6%
<b>Total, Base Expenditures</b>	<b>1.7%</b>	<b>1.9%</b>	<b>2.2%</b>	<b>3.6%</b>	<b>3.3%</b>
* Teachers' Retirement System expenditure growth rates are extremely high due to FY 2012 growth of over 874%. This large increase was due to the return of using General Funds revenue to fund the Teachers' Retirement System after mostly using pension notes in FY 2010 and FY 2011.					

## II. Threats and Opportunities

The Threats and Opportunities section of this report highlights those issues that pose a threat or create a negative outlook, or on the contrary, provide or offer a positive opportunity, to Illinois' economic or financial condition. As Illinois' financial troubles have been a continuing matter of concern and uncertainty in recent years, several topics in this section are recurring issues from previous year's reports, but for which we have provided updated information.

### Threats

- **Recession.** At the time of the Commission's release of its FY 2021 Economic Forecast and Revenue Estimate in early March 2020, the outlook for Illinois' economy was good. While economic related growth was expected to slow somewhat from previous levels, Illinois was described by Moody's Analytics as "in decent shape for a state facing a slowdown in manufacturing, poor agricultural conditions, and numerous demographic and fiscal problems" and that Illinois' economy is "doing better than it has in some time".

Similarly, IHS Markit in its February 2020 economic forecast outlook estimated that the U.S. had only a 25% chance of a "pessimistic" scenario (a slowdown in the GDP to 1.9% in 2020 with a 3<sup>rd</sup> quarter recession starting in the 2<sup>nd</sup> quarter of 2021), whereas the "baseline" forecast (continued moderate growth in the GDP) had a 65% chance of occurrence and the "optimistic" scenario (stronger growth in the GDP) had a 10% chance of occurrence.

However, the value of each of these scenarios has been put into flux due to the recent developments related to the COVID-19 virus. In recent days the price of oil has dropped, markets have experienced significant falloffs, and travel bans have been set into place. The impact that this will have on Illinois' economy and its economically-tied revenue sources is impossible to determine right now. However, the longer this period of uncertainty continues, the higher the chances that the U.S. (and therefore, Illinois) will enter into a recession in the near future.

Obviously, the extent of the impact of a potential recession in Illinois due to this pandemic cannot be accurately determined at this time due to the numerous unknowns that persist. With that being said, a look back at recent recessions can provide some guidelines on how this could possibly impact tax revenues in Illinois.

#### **Early 2000s Recession**

Between FY 2001 and FY 2003, overall tax revenues fell a combined 5.5% (see following graph on page 7). Revenues from the "Big 3" fell a similar 5.7% during this time frame. The Commission estimates that if the State were to experience a similar recession over the upcoming fiscal years, a falloff in revenues of near \$2 billion would be expected. Again, the timing of how this would affect particular fiscal years is difficult to predict, but it is likely that the impact would be felt over more than one fiscal year.

### **“Great Recession”**

A look back at the revenue performance of the State’s general funds during the “Great Recession” shows that overall revenues fell a combined 8.7% between FY 2008 and FY 2010 (see graph on page 7). During this timeframe, net revenues from the “Big 3” (personal income tax, corporate income tax, sales tax) fell a combined 16.6%. Since that time, due to recent income tax increases, their composition of overall revenues has grown from around 60% to near 78%. Because of the increased reliance on these sources, significant changes in these taxes will have a greater impact on overall revenue performance. Because of this, the Commission estimates that if Illinois were to have another severe recession similar to the “Great Recession”, the decline in total receipts could reach 11%. In terms of receipts, this would equate to a revenue loss of around \$4.5 billion. This revenue reduction would likely be spread over multiple fiscal years.

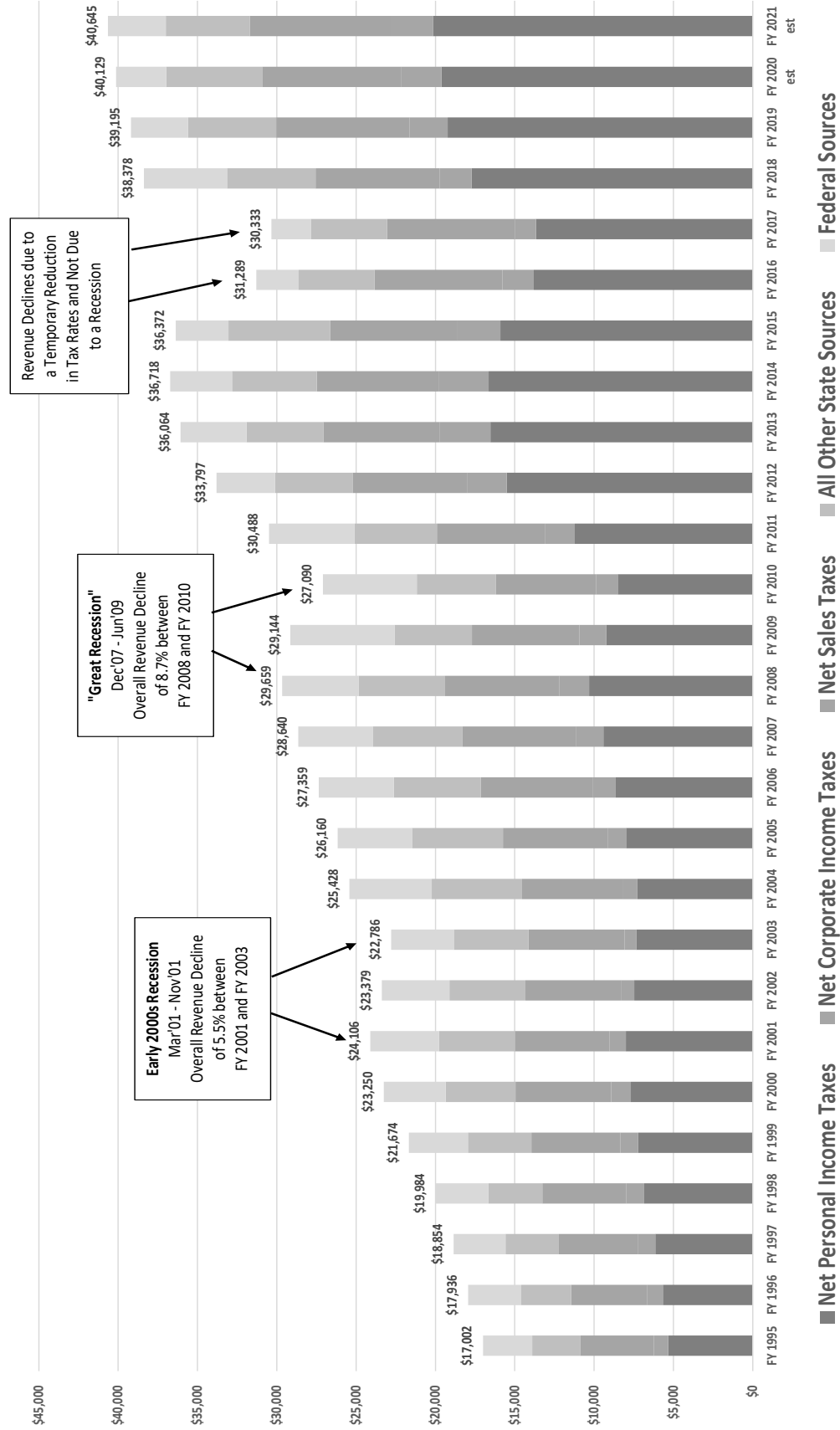
### **Uncertainty of a “COVID-19 Recession”**

While the certainty of the country, and world, plunging into recession seems to grow each day, attempting to value the impact of COVID-19 on State revenues is virtually impossible. With that caveat, it seems reasonable to offer a scenario with more devastating impacts on revenues in the near-term than even the “Great Recession”. As a result, should revenues experience a peak-trough decline of 20%, a revenue reduction of over \$8 billion would be experienced, although likely spread over multiple fiscal years.

# General Funds Revenue History

(FY 1995 - FY 2021 est)

\$ in millions



- **Outstanding Bill Backlog.** The accumulation of a bill backlog is a threat to the State of Illinois due to the high cost of either having to borrow from the financial community at higher rates or through incurring late-payment interest penalties. The backlog of bills had grown to a high of approximately \$16.7 billion during the fall of 2017. As of March 12, 2020, the Comptroller reported a General Funds backlog of \$7.6 billion which is down from \$8.8 billion from a similar time last year.
- **Interest Penalty Payments.** Illinois is mandated to pay interest for late payments to the State's vendors and providers. There are two types of interest paid, depending on the associated bill type. Timely Pay Interest (215 ILCS 5/368a) accrues at 9% annually for self-insured providers of the State Employees Group Insurance Program. Prompt Payment Interest (30 ILCS 540) accrues at 12% to other State vendors for goods and services purchased by any state official or agency authorized to expend from appropriated state funds. According to the Office of the Comptroller, in calendar years 2017 and 2018, the Office of the Comptroller released more than \$143 million and more than \$711 million, respectively, in late payment interest penalties. In 2019, the amount of late payment interest penalties paid by the Comptroller was \$236 million.

As of January 31, 2020, the aggregate of outstanding accrued and pending late payment interest penalties at agencies and the Office of the Comptroller totaled approximately \$324 million for the reporting period which was down from \$470 million in 2019. These payments are a threat to the State because any money needed to pay late payment penalties is money that cannot be used for other purposes.

- **General Obligation Bond Ratings.** Illinois has had one of the lowest credit ratings among the States for years. Illinois' GO Bond ratings have been downgraded fifteen times since 2010. The major consequence of the rating downgrades is that debt ratings are one of the factors that are strongly considered when determining the interest rate the State must pay to issue debt (sell bonds). Consequently, declines in the State's rating lead to a corresponding increase in debt service costs for Illinois.
- **Unfunded Pension Liabilities.** As with previous years, the unfunded pension liabilities continue to pose a threat to the current fiscal outlook. As of June 30, 2019, the unfunded liabilities of the State retirement systems totaled over \$137 billion, led by the Teachers' Retirement System (TRS), whose unfunded liability was about \$78 billion. The combined funded ratio for the retirement systems for FY 2019 was 40.6%.

The 2019 Report of the State Actuary, issued in December of 2019, noted that the statutory funding method "does not adequately fund the systems" as the State is required to make contributions such that the systems become 90% funded by FY 2045, which does not satisfy "generally accepted actuarial principles and practices." The State Actuary also "recommend[s] that the funding method be changed to fully fund plan benefits and discontinue[s] the systematic underfunding of the systems. [...] Continuing the practice

of underfunding the systems increases the risk of needing even larger contributions in the future that may make the systems unsustainable.” The inadequate funding of the pension systems is a threat to the State as pension needs will continue to crowd out other funding needs until this situation is rectified.<sup>1</sup>

- **Weak Demographics and Fiscal Instability.** Moody’s Analytics prepared the State of Illinois Forecast Report for the Commission in February 2020. The report highlighted recent performance among various sectors of Illinois’ economy, as well as provided a near-term and long-term outlook, including risks that affect the Illinois forecast.

The report identified weak demographic trends and deep-rooted fiscal problems, such as mounting pension obligations and a shrinking tax base which represent the biggest hurdles to the longer-term economic outlook. The forecast anticipated that the state will grow a step behind the Midwest average and a few steps behind the nation over the extended forecast horizon.

The report stated that the state’s outlook is tarnished primarily by its budget woes and weak population trends, not its high costs relative to nearby states. Business costs in the state are lower than they are nationally and have trended downward for the past few decades. Overall costs are similar to those in Ohio, lower than those in Michigan and Wisconsin, but higher than those in neighboring Indiana and Iowa.

Most economic gauges point to a performance gap with the Midwest and the U.S. due to these issues. Income growth in key industries such as healthcare, professional/business services and manufacturing was slower than average in 2019.

## **Opportunities**

This section highlights some ideas for changes that have been introduced or discussed in recent years. However, the Commission is not advocating for the implementation of these ideas one way or the other.

- **Align Expenditures with Revenues.** With the passage of the income tax increase in 2017, revenues have come much closer to matching expenditures on an annual basis. In the past, people have called for the closing of the budget deficit by only cutting costs. Prior to the income tax increase, these types of proposals were improbable due to the size of the budget gap and the political environment. Now that the income tax has closed much of the gap between revenues and spending, proposals primarily using spending cuts, while painful, are more feasible.

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<sup>1</sup> Office of the Auditor General. *State Actuary’s Report - The Actuarial Assumptions and Valuations of the State-Funded Retirement Systems*. 2018. <https://www.auditor.illinois.gov/Audit-Reports/Performance-Special-Multi/State-Actuary-Reports/2019-State-Actuary-Rpt-Full.pdf>

- **Maximize Illinois' Economic Advantages.** The previously mentioned report by Moody's Analytics also noted numerous economic assets that the State of Illinois possessed. These assets included a huge talent pool of highly skilled workers, world-class universities, more money for investment, and transportation hubs including an airport with direct connections around the globe. In fact, the report stated that

“Illinois has what it needs to remain a top business center, as long as it can solve the fiscal problems that are eroding its edge in the competition for talent, jobs and capital. Specifically, Illinois has a huge talent pool of highly skilled workers, world-class universities, more money for investment, and better transportation with an airport with direct connections around the globe.”<sup>2</sup>

Despite its many challenges, Illinois has the foundation for strong economic growth if the State were able to better maximize these economic advantages.

- **Reducing Rates for Timely and Prompt Payment Interest.** As discussed earlier in this report, the state is obligated to pay interest on past due bills. This interest is either 9% or 12% annually, depending on the associated bill type. If these interest rates were reduced, the amount of interest penalties the state pays would decrease proportionately. As mentioned previously, as of January 31, 2020, \$324 million in estimated late-payment interest payments were due based on vouchers at the Office of the Comptroller and those still held by the agencies.

If Illinois were to reduce the interest rate it paid for late payments to 7.5% instead of the 9% or 12% rate, it would save the State millions of dollars a year. For every \$1 billion in late bills, Illinois accrues between \$90 million and \$120 million per year depending upon the type of bill. If the late penalty rates were lowered to 7.5%, the total amount would equal \$75 million. This would equal a savings of \$15 million to \$45 million per year per \$1 billion in late penalty payments.

- **Expand Sales Tax Base.** In recent decades, the service sector has become a larger portion of the national economy, as well as the Illinois economy. Based on data from the Bureau of Economic Analysis, private services-providing industries accounted for just over 72% of Illinois' contribution to the Gross Domestic Product (GDP) in 2015.

Currently, Illinois taxes 17 different kinds of services. This affords the State an opportunity to modernize, broaden, and diversify its tax base. The Illinois sales tax was originally developed in the 1930s when the economy was much more reliant on goods production. By taxing services, the tax system would modernize to more accurately reflect the economy of 2020.

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<sup>2</sup> Moody's Analytics/ Economic & Consumer Credit Analytics. *State of Illinois Economic Forecast*. 2020  
<http://cgfa.ilga.gov/Upload/2020MoodyEconomyILForecast.pdf>

Taxing more services could be used to bring in more revenue to the State. It could also be used to offset a portion of the sales tax on goods and allow for the overall tax rate to be lowered. The table below shows how Illinois compares to the surrounding states and how much revenue could be collected under a 5% service tax based on the services taxed in each of those states. For more information on this topic, please see the Commission's 2017 service tax report update at <http://cgfa.ilga.gov/Upload/ServiceTaxes2017update.pdf>.<sup>3</sup>

TABLE 3. SERVICE TAX ESTIMATES							
Service Tax System	Number of Additional Services Taxed	Broad Based Estimate			Refined Estimate		
		Tax Revenue (\$ Millions)			Tax Revenue (\$ Millions)		
		Year 1	Year 2	Year 3	Year 1	Year 2	Year 3
Iowa	81	\$2,040.4	\$2,351.6	\$2,905.4	\$847.3	\$975.4	\$1,203.7
Indiana	8	\$378.5	\$435.8	\$538.0	\$197.7	\$227.8	\$281.4
Kentucky	6	\$221.5	\$254.1	\$312.4	\$127.2	\$145.6	\$178.6
Missouri	11	\$313.4	\$361.4	\$446.9	\$179.9	\$207.1	\$255.8
Wisconsin	14	\$672.9	\$773.3	\$952.7	\$416.1	\$477.7	\$588.0
Models assume a 5% tax rate, a 7/1/17 implementation date, and a 67%, 75%, and 90% compliance timeline.							
Broad based estimate taxes all transactions, the refined estimate tries to only account for transactions to final users							
Source: CGFA							

- **A New Income Tax Structure.** In November 2020, citizens of Illinois will take to the ballot box to determine the fate of SJRCA 1, which will effectively determine if Illinois will move from a flat personal income tax structure to a graduated tax structure. In the spring of 2019, P.A. 101-8, which combined a graduated rate structure along with numerous other changes, was signed into law contingent on the passage of the above Constitutional Amendment.

Should the graduated rate structure and other changes made under P.A. 101-8 (including a corporate income tax increase from 7% to 7.99%) be enacted January 1, 2020, it would begin generating additional tax revenues for the State in FY 2021. **Upon full implementation, it is anticipated that these tax changes will increase State revenues by approximately \$3.6 billion.** However, because the new Act would go into effect halfway through FY 2021, only a portion of the impact would be experienced in FY 2021. The Commission estimates that under current law, assuming implementation of P.A. 101-8, the base estimate for FY 2021 would be increased by a net amount of \$1.546 billion.

Again, the projected full-implementation value of P.A. 101-8 is \$3.6 billion. This value of the tax increase would grow in future years as the taxable base were to grow. However, it should be noted that the change to a graduated tax structure means that there will be an increased reliance on the performance of the State's top income earners. Because there are often wide swings in the taxable income of these higher earners (due to typical volatility in items like capital gains, dividend income, etc.), moving to a graduated tax structure will make the income tax a much more volatile source than it has been in the past. As a result of this

<sup>3</sup> Commission on Government Forecasting and Accountability. *Service Taxes 2017 Update*. 2017. <http://cgfa.ilga.gov/Upload/ServiceTaxes2017update.pdf>

volatility, revenue projections will become even more challenging if P.A. 101-8 were to become law.

### **III. 3-Year Budget Forecasts**

On the next page is the Commission's 3-year estimate for General Funds revenues. Based on its March 2020 estimate, the Commission believes that FY 2020 general funds base revenue will be \$40.1 billion, a 4.6% increase over FY 2019. In addition to the base revenue, an additional \$550 million in revenue is expected. Of this amount, \$400 million is expected from the Treasurer's Investment Program and \$150 million is expected from Interfund Borrowing. Total General Revenue Funds is estimated to be \$40.7 billion which would be an increase of \$484 million, or 1.2%. Using the estimated FY 2020 base revenues, the Commission forecasted revenues for the next three fiscal years. The Commission's revenue outlook reflects current law with a view of moderating economic growth as the current business cycle continues at a moderate pace. The base forecast does not account for any potential effects of the COVID-19 virus in its forecast, though they were discussed in the Threats section of the report. The base forecast also does not include any potential revenue effects of the pending Constitutional Amendment regarding a graduated income tax.

The Commission utilized the revenue estimates to present budget scenarios using various spending levels as spending will change based upon priorities that will be determined during budget negotiations. Six budget scenarios were analyzed using different spending growth rates. These growth rates were applied to the estimated FY 2020 spending base of \$40.385 billion as indicated in the Governor's proposed FY 2021 budget. A backlog of bills totaling \$6.019 billion was assumed at the end of FY 2019 as indicated by the Office of the Comptroller. No debt restructuring was assumed in any of these scenarios.

The first growth rate scenario reflects annual declines in spending of -1.2% which is the rate at which the backlog of bills would equal \$0 at the end of the three years. The second rate was 0.0% growth or flat spending. This was done to demonstrate what would happen if spending was held constant over the next three years. Scenarios three, four, and five use the 5-year, 10-year, and 15-year averages for expenditure growth of 1.9%, 2.2%, and 3.6%. The final scenario uses the 20-year average growth rate of 3.3%.

**TABLE 4. CGFA ESTIMATES FY 2020-FY 2023 (BASE REVENUES)**

	(millions)				
	FY 2019	CGFA FY 2020	CGFA FY 2021	CGFA FY 2022	CGFA FY 2023
<u>Revenue Sources</u>	<u>Actual</u>	<u>Estimate Mar-20</u>	<u>Estimate Mar-20</u>	<u>Estimate Mar-20</u>	<u>Estimate Mar-20</u>
<b>State Taxes</b>					
Personal Income Tax	\$22,604	\$23,000	\$23,643	\$24,116	\$24,599
Corporate Income Tax	\$3,026	\$3,196	\$3,201	\$3,265	\$3,330
Sales Taxes	\$8,897	\$9,164	\$9,503	\$9,597	\$9,693
Public Utility (regular)	\$863	\$838	\$818	\$802	\$787
Cigarette Tax	\$361	\$263	\$255	\$247	\$240
Liquor Gallonage Taxes	\$172	\$175	\$176	\$178	\$180
Vehicle Use Tax	\$31	\$30	\$30	\$30	\$30
Estate Tax (gross)	\$388	\$280	\$300	\$305	\$305
Insurance Taxes & Fees	\$396	\$400	\$400	\$400	\$400
Corporate Franchise Tax & Fees	\$247	\$235	\$215	\$150	\$50
Interest on State Funds & Investments	\$145	\$155	\$150	\$125	\$100
Cook County Intergovernmental Transfer	\$244	\$244	\$244	\$244	\$244
<u>Other Sources</u>	<u>\$669</u>	<u>\$814</u>	<u>\$678</u>	<u>\$687</u>	<u>\$694</u>
<b>Subtotal</b>	<b>\$38,043</b>	<b>\$38,794</b>	<b>\$39,613</b>	<b>\$40,146</b>	<b>\$40,652</b>
<b>Transfers</b>					
Lottery	\$731	\$695	\$720	\$734	\$748
Riverboat transfers and receipts	\$279	\$280	\$285	\$350	\$350
<u>Other</u>	<u>\$1,035</u>	<u>\$1,672</u>	<u>\$1,016</u>	<u>\$1,038</u>	<u>\$1,043</u>
<b>Total State Sources</b>	<b>\$40,088</b>	<b>\$41,441</b>	<b>\$41,634</b>	<b>\$42,268</b>	<b>\$42,793</b>
<b>Federal Sources</b>	<b>\$3,600</b>	<b>\$3,154</b>	<b>\$3,651</b>	<b>\$3,800</b>	<b>\$3,950</b>
<b>Total Federal &amp; State Sources</b>	<b>\$43,688</b>	<b>\$44,595</b>	<b>\$45,285</b>	<b>\$46,068</b>	<b>\$46,743</b>
<b>Nongeneral Funds Distribution:</b>					
<b>Refund Fund*</b>					
Personal Income Tax	(\$2,193)	(\$2,185)	(\$2,187)	(\$2,231)	(\$2,275)
Corporate Income Tax	(\$470)	(\$455)	(\$448)	(\$457)	(\$466)
<b>Local Government Distributive Fund</b>					
Personal Income Tax	(\$1,175)	(\$1,198)	(\$1,300)	(\$1,326)	(\$1,353)
Corporate Income Tax	(\$167)	(\$179)	(\$189)	(\$193)	(\$196)
<b>Sales Tax Distribution to the PTF and DPTF</b>	<b>(\$488)</b>	<b>(\$449)</b>	<b>(\$516)</b>	<b>(\$528)</b>	<b>(\$539)</b>
<b>Total, Base Revenues</b>	<b>\$39,195</b>	<b>\$40,129</b>	<b>\$40,645</b>	<b>\$41,333</b>	<b>\$41,914</b>
Change from Prior Year	\$817	\$934	\$516	\$688	\$581
Percent Change	2.1%	2.4%	1.3%	1.7%	1.4%
Treasurer Investment	\$750	\$400	\$0	\$0	\$0
Interfund Borrowing	\$250	\$150	\$0	\$0	\$0
<b>Total General Funds Revenue</b>	<b>\$40,195</b>	<b>\$40,679</b>	<b>\$40,645</b>	<b>\$41,333</b>	<b>\$41,914</b>
Change from Prior Year	(\$1,256)	\$484	(\$34)	\$688	\$581
Percent Change	-3.0%	1.2%	-0.1%	1.7%	1.4%
The FY 2020 estimates were based on refund percentages of 9.75% for PIT and 14.75% for CIT.					
The FY 2021-23 estimates were based on refund percentages of 9.25% for PIT and 14.00% for CIT.					
Source: CGFA					

## **Scenario Analysis Results**

Results of the various budget scenarios can be found in the table on page 17. The table contains revenues, spending, operating surplus/deficit, and cumulative backlog of bills for each scenario. The scenarios assume total FY 2020 revenue of \$40.7 billion, a spending base of \$39.5 billion and a backlog of \$5.7 billion at the end of the fiscal year.

### **Scenario 1. Backlog of Bills to \$0**

The first scenario analyzed (annual expenditure declines of -1.2% per year) shows the spending decreases that would be necessary to get the backlog of bills at the end of the fiscal year to zero by the end of FY 2023. In this scenario, revenues reach just under \$42 billion and expenditures fall to \$38.9 billion. This scenario saw surpluses in each of the three years forecasted. The surplus would equal just over \$3.0 billion in FY 2023.

This scenario is primarily for presentation purposes only as there will always be some outstanding bills in the “pipeline”, and therefore, the backlog of bills could never truly reach \$0. This scenario shows what kind of spending reductions would be necessary to get the backlog of bills down to a more manageable level within three years only using spending cuts. With the passage of the July 1, 2017 income tax increase, this scenario has become more realistic. In 2017’s 3-Year Budget Forecast, this scenario needed annual declines of -14% to pay down the backlog of bills within three years. This rate fell to -4.6% in last year’s report, and only -1.2% this year.

### **Scenario 2. Flat Spending**

Scenario 2 shows what would happen if expenditures were frozen at FY 2020 levels. This scenario kept spending at \$40.4 billion for all three years. Similar to the first scenario, the State would be expected to have surpluses in all three forecasted years. The surpluses would grow from \$260 million in FY 2021 to \$1.5 billion in FY 2023. In this scenario, the backlog of bills would shrink to \$3.0 billion at the end of FY 2023.

### **Scenario 3. 1.9% Annual Growth in Spending (5-Year Average Growth)**

The third scenario examined what spending and the backlog of bills would grow to assuming growth rates similar to the 5-year average which was 1.9% annual growth. Expenditures grow to over \$42.7 billion under this scenario. This scenario and all the remaining scenarios had deficits in each of the three years forecast. The deficit is \$507 million in FY 2021 in this scenario and grows to \$817 million in FY 2023. Under this scenario, the backlog of bills grows to \$7.7 billion.

#### **Scenario 4. 2.2% Annual Growth in Spending (10-Year Average Growth)**

Scenario 4 assumed spending increases similar to the 10-year average of 2.8%. This scenario is similar to the previous scenario in that all three years have deficits. Expenditures grow to just over \$43.1 billion. In FY 2023, the annual deficit increases to \$1.2 billion. The backlog of bills rises to over \$8.4 billion.

#### **Scenario 5. 3.6 % Annual Growth in Spending (15-Year Average Growth)**

This scenario used the 15-year average of 3.6% annual growth in spending. This scenario had the highest expenditure growth rate analyzed and led to the worst results for the State. Spending grows approximately \$1.5 billion per year to over \$44.9 billion. Similar to the previous scenarios, deficits are predicted in each of the three years forecasted. In FY 2020, the annual deficit grows to almost \$3.0 billion. The backlog of bills soars to over \$11.9 billion under this scenario.

#### **Scenario 6. 3.3% Annual Growth in Spending (20-Year Average Growth)**

The final scenario uses the 20-year spending average of 3.3% and has results similar to the previous scenario. Deficits swell from \$1.1 billion in FY 2021 to over \$2.6 billion in FY 2023. The backlog of bills would expand to \$11.2 billion in the final year forecasted.

### **Conclusion**

While Illinois has economic strengths, demographics and the fiscal instability of the State itself are holding back the State's economy. The 2017 income tax increase has closed some of the structural gap in the budget but the State still has work to do to truly be able to operate under a sustainable model moving forward. As demonstrated in this report, based on forecast models, the State needs to raise more revenue and/or limit expenditures better than it has over the past 20 years. The State's fiscal problems will continue until a system is implemented wherein revenue and expenditures are more aligned.

**TABLE 5. 3-YEAR BUDGET SCENARIOS**

(\$ million)

**Scenario 1: Backlog of Bills to \$0 (1.2% annual decline in spending)**

	Revenues	Spending	General Funds Surplus/Deficit	End of Fiscal Year Backlog of Bills
FY 2020	\$40,679	\$40,385	\$294	(\$5,725)
FY 2021	\$40,645	\$39,883	\$762	(\$4,963)
FY 2022	\$41,333	\$39,387	\$1,946	(\$3,017)
FY 2023	\$41,914	\$38,897	\$3,017	\$0

**Scenario 2: Flat Spending (0% growth)**

	Revenues	Spending	General Funds Surplus/Deficit	End of Fiscal Year Backlog of Bills
FY 2020	\$40,679	\$40,385	\$294	(\$5,725)
FY 2021	\$40,645	\$40,385	\$260	(\$5,465)
FY 2022	\$41,333	\$40,385	\$948	(\$4,517)
FY 2023	\$41,914	\$40,385	\$1,529	(\$2,988)

**Scenario 3: 5-Year Average Growth in Spending (1.9%)**

	Revenues	Spending	General Funds Surplus/Deficit	End of Fiscal Year Backlog of Bills
FY 2020	\$40,679	\$40,385	\$294	(\$5,725)
FY 2021	\$40,645	\$41,152	(\$507)	(\$6,232)
FY 2022	\$41,333	\$41,934	(\$601)	(\$6,834)
FY 2023	\$41,914	\$42,731	(\$817)	(\$7,650)

**Scenario 4: 10-Year Average Growth in Spending (2.2%)**

	Revenues	Spending	General Funds Surplus/Deficit	End of Fiscal Year Backlog of Bills
FY 2020	\$40,679	\$40,385	\$294	(\$5,725)
FY 2021	\$40,645	\$41,273	(\$628)	(\$6,353)
FY 2022	\$41,333	\$42,181	(\$848)	(\$7,202)
FY 2023	\$41,914	\$43,109	(\$1,195)	(\$8,397)

**Scenario 5: 15-Year Average Growth in Spending (3.6%)**

	Revenues	Spending	General Funds Surplus/Deficit	End of Fiscal Year Backlog of Bills
FY 2020	\$40,679	\$40,385	\$294	(\$5,725)
FY 2021	\$40,645	\$41,839	(\$1,194)	(\$6,919)
FY 2022	\$41,333	\$43,345	(\$2,012)	(\$8,931)
FY 2023	\$41,914	\$44,905	(\$2,991)	(\$11,922)

**Scenario 6: 20-Year Average Growth in Spending (3.3%)**

	Revenues	Spending	General Funds Surplus/Deficit	End of Fiscal Year Backlog of Bills
FY 2020	\$40,679	\$40,385	\$294	(\$5,725)
FY 2021	\$40,645	\$41,718	(\$1,073)	(\$6,798)
FY 2022	\$41,333	\$43,094	(\$1,761)	(\$8,559)
FY 2023	\$41,914	\$44,517	(\$2,603)	(\$11,162)

All scenarios use CGFA revenue estimates, the Governor's FY 2021 State Budget Proposal for the FY 2019 spending, and an estimated backlog of bills of \$6.019 billion at the end of FY 2019.

# APPENDIX A. DETAILED GENERAL FUNDS REVENUE HISTORY FY 2010 - FY 2019

(\$ million)

Revenue Sources	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
<b>State Taxes</b>										
Personal Income Tax	\$9,430	\$12,301	\$17,000	\$18,323	\$18,388	\$17,682	\$15,299	\$15,385	\$20,784	\$22,604
Corporate Income Tax (regular)	1,649	2,277	2,983	3,679	3,640	3,129	2,334	1,610	2,607	3,026
Sales Taxes	6,308	6,833	7,226	7,355	7,676	8,030	8,063	8,043	8,256	8,897
Public Utility Taxes (regular)	1,089	1,147	995	1,033	1,013	1,006	926	884	896	863
Cigarette Tax	355	355	354	353	353	353	353	353	344	361
Liquor Gallonage Taxes	159	157	164	165	165	167	170	171	172	172
Vehicle Use Tax	30	30	29	27	29	32	30	30	28	31
Estate Tax (Gross)	243	122	235	293	276	333	306	261	358	388
Insurance Taxes and Fees	322	317	345	334	333	353	398	391	432	396
Corporate Franchise Tax & Fees	208	207	192	205	203	211	207	207	207	247
Interest on State Funds & Investments	26	28	21	20	20	24	24	36	79	145
Cook County Intergovernmental Transfer	244	244	244	244	244	244	244	244	244	244
Other Sources	<u>431</u>	<u>404</u>	<u>399</u>	<u>462</u>	<u>585</u>	<u>693</u>	<u>534</u>	<u>685</u>	<u>641</u>	<u>669</u>
<b>Subtotal</b>	<b>\$20,494</b>	<b>\$24,422</b>	<b>\$30,187</b>	<b>\$32,493</b>	<b>\$32,925</b>	<b>\$32,257</b>	<b>\$28,888</b>	<b>\$28,300</b>	<b>\$35,048</b>	<b>\$38,043</b>
<b>Transfers</b>										
Lottery	625	632	640	656	668	679	677	720	719	731
Gaming Fund Transfer [and related]	431	324	413	360	331	302	287	280	282	279
Other	<u>828</u>	<u>1,226</u>	<u>885</u>	<u>688</u>	<u>1,113</u>	<u>2,012</u>	<u>627</u>	<u>552</u>	<u>1,186</u>	<u>1,035</u>
<b>Total State Sources</b>	<b>\$22,378</b>	<b>\$26,604</b>	<b>\$32,125</b>	<b>\$34,197</b>	<b>\$35,037</b>	<b>\$35,250</b>	<b>\$30,479</b>	<b>\$29,852</b>	<b>\$37,235</b>	<b>\$40,088</b>
<b>Federal Sources</b>	<b>\$5,920</b>	<b>\$5,386</b>	<b>\$3,682</b>	<b>\$4,154</b>	<b>\$3,903</b>	<b>\$3,330</b>	<b>\$2,665</b>	<b>\$2,483</b>	<b>\$5,238</b>	<b>\$3,600</b>
<b>Total Federal &amp; State Sources</b>	<b>\$28,298</b>	<b>\$31,990</b>	<b>\$35,807</b>	<b>\$38,351</b>	<b>\$38,940</b>	<b>\$38,580</b>	<b>\$33,144</b>	<b>\$32,335</b>	<b>\$42,473</b>	<b>\$43,688</b>
<b>Nongeneral Funds Distribution:</b>										
<b>Refund Fund</b>										
Personal Income Tax	(\$919)	(\$1,076)	(\$1,488)	(\$1,785)	(\$1,746)	(\$1,769)	(\$1,493)	(\$1,724)	(\$2,037)	(\$2,193)
Corporate Income Tax	(289)	(426)	(522)	(502)	(476)	(439)	(362)	(278)	(457)	(470)
Fund for Advancement of Education	0	0	0	0	0	(242)	(458)	(464)	0	0
Commitment to Human Services Fund	0	0	0	0	0	(242)	(458)	(464)	0	0
LGDF -- Direct from PIT	0	0	0	0	0	0	0	0	(1,022)	(1,175)
LGDF -- Direct from CIT	0	0	0	0	0	0	0	0	(133)	(167)
Downstate Pub/Trans -- Direct from Sales Tax	0	0	0	0	0	0	0	0	(446)	(488)
<b>Total, Base Revenues</b>	<b>\$27,090</b>	<b>\$30,488</b>	<b>\$33,797</b>	<b>\$36,064</b>	<b>\$36,718</b>	<b>\$35,888</b>	<b>\$30,373</b>	<b>\$29,405</b>	<b>\$38,378</b>	<b>\$39,195</b>
Change from Prior Year	(\$2,054)	\$3,398	\$3,309	\$2,267	\$654	(\$830)	(\$5,515)	(\$968)	\$8,973	\$817
Percent Change	-7.0%	12.5%	10.9%	6.7%	1.8%	-2.3%	-15.4%	-3.2%	30.5%	2.1%
Short-Term Borrowing / Treasurer Investment	\$1,250	\$1,300	\$0	\$0	\$0	\$454	\$0	\$0	\$0	\$750
Interfund Borrowing	0	0	0	0	0	0	0	0	533	250
Income Tax Bond Fund Transfer	0	0	0	0	0	0	0	0	2500	0
Transfer to Commitment to Human Services Fund	0	0	0	0	0	0	0	0	40	0
Tobacco Liquidation Proceeds	0	1,250	0	0	0	0	0	0	0	0
Budget Stabilization Fund Transfer	1,146	535	275	275	275	275	125	0	0	0
Pension Contribution Fund Transfer	843	224	0	0	0	0	0	0	0	0
FY'13-14 Backlog Payment Fund Transfer	0	0	0	264	50	0	0	0	0	0
<b>Total General Funds Revenue</b>	<b>\$30,329</b>	<b>\$33,797</b>	<b>\$34,072</b>	<b>\$36,603</b>	<b>\$37,043</b>	<b>\$36,617</b>	<b>\$30,498</b>	<b>\$29,405</b>	<b>\$41,451</b>	<b>\$40,195</b>
Change from Prior Year	(\$1,791)	\$3,468	\$275	\$2,531	\$440	(\$426)	(\$6,119)	(\$1,093)	\$12,046	(\$1,256)
Percent Change	-5.6%	11.4%	0.8%	7.4%	1.2%	-1.2%	-16.7%	-3.6%	41.0%	-3.0%
Source: ILLINOIS COMPTROLLER, CGFA										

# **APPENDIX B. GENERAL FUNDS EXPENDITURES HISTORY BY AGENCY FY 2010 - FY 2019**

(\$ million)

<b>WARRANTS ISSUED</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
<b>BY AGENCY</b>										
State Board of Education	\$7,273	\$6,912	\$6,739	\$6,539	\$6,681	\$6,545	\$6,507	\$7,211	\$8,201	\$8,376
Healthcare and Family Services	7,239	7,309	8,158	6,726	7,292	6,525	6,090	5,972	7,601	7,633
Teachers' Retirement System	914	256	2,494	2,790	3,529	3,479	3,851	4,096	4,210	4,592
Human Services	3,997	3,894	3,415	3,448	3,217	3,363	3,153	3,283	3,640	3,740
Higher Education Agencies	2,230	2,146	2,844	3,234	3,303	3,291	2,039	3,359	3,141	3,226
Corrections	1,156	1,205	1,210	1,172	1,276	1,310	888	1,076	1,890	1,519
Aging	653	646	731	1,060	935	880	646	590	893	919
Children and Family Services	847	840	806	721	684	672	619	684	746	780
All Other Agencies	2,009	2,261	2,900	4,624	4,622	4,709	2,969	3,153	5,087	5,602
Prior Year Adjustments	(17)	(22)	(88)	(21)	(60)	(11)	(12)	(3)	(28)	(26)
<b>Total Warrants Issued</b>	<b>\$26,301</b>	<b>\$25,447</b>	<b>\$29,209</b>	<b>\$30,293</b>	<b>\$31,479</b>	<b>\$30,763</b>	<b>\$26,750</b>	<b>\$29,421</b>	<b>\$35,381</b>	<b>\$36,361</b>
<b>Transfers</b>										
Transfers Out	6,450	6,937	5,164	5,350	5,497	4,858	4,576	4,636	3,610	3,906
<b>Total Expenditures</b>	<b>\$32,751</b>	<b>\$32,384</b>	<b>\$34,373</b>	<b>\$35,643</b>	<b>\$36,976</b>	<b>\$35,621</b>	<b>\$31,326</b>	<b>\$34,057</b>	<b>\$38,991</b>	<b>\$40,267</b>
Change from Prior Year	(\$2,208)	(\$367)	\$1,989	\$1,270	\$1,333	(\$1,355)	(\$4,295)	\$2,731	\$4,934	\$1,276
Percent Change	-6.3%	-1.1%	6.1%	3.7%	3.7%	-3.7%	-12.1%	8.7%	14.5%	3.3%
<b>Repayment of Short-Term Borrowing</b>	<b>2,276</b>	<b>1,322</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Cash Flow Transfers</b>	<b>870</b>	<b>260</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Repayment of Interfund Borrowing</b>	<b>0</b>	<b>9</b>	<b>355</b>	<b>133</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>15</b>	<b>128</b>	<b>10</b>
<b>Budget Stabilization Fund Transfers</b>	<b>0</b>	<b>276</b>	<b>550</b>	<b>275</b>	<b>275</b>	<b>275</b>	<b>125</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Treasurer's Investments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>700</b>
<b>Treasurer's Investments - Contingency Fund Exchange</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>50</b>
<b>Total, Base Expenditures</b>	<b>\$29,605</b>	<b>\$30,517</b>	<b>\$33,468</b>	<b>\$35,235</b>	<b>\$36,701</b>	<b>\$35,346</b>	<b>\$31,201</b>	<b>\$34,042</b>	<b>\$38,863</b>	<b>\$39,507</b>
Change from Prior Year	(\$3,354)	\$912	\$2,951	\$1,767	\$1,466	(\$1,355)	(\$4,145)	\$2,841	\$4,821	\$644
Percent Change	-10.2%	3.1%	9.7%	5.3%	4.2%	-3.7%	-11.7%	9.1%	14.2%	1.7%

Source: ILLINOIS COMPTROLLER, CGFA

## **BACKGROUND**

The Commission on Government Forecasting and Accountability (CGFA), a bipartisan, joint legislative commission, provides the General Assembly with information relevant to the Illinois economy, taxes and other sources of revenue and debt obligations of the State. The Commission's specific responsibilities include:

- 1) Preparation of annual revenue estimates with periodic updates;
- 2) Analysis of the fiscal impact of revenue bills;
- 3) Preparation of "State Debt Impact Notes" on legislation which would appropriate bond funds or increase bond authorization;
- 4) Periodic assessment of capital facility plans;
- 5) Annual estimates of public pension funding requirements and preparation of pension impact notes;
- 6) Annual estimates of the liabilities of the State's group health insurance program and approval of contract renewals promulgated by the Department of Central Management Services;
- 7) Administration of the State Facility Closure Act.

The Commission also has a mandate to report to the General Assembly ". . . on economic trends in relation to long-range planning and budgeting; and to study and make such recommendations as it deems appropriate on local and regional economic and fiscal policies and on federal fiscal policy as it may affect Illinois. . . ." This results in several reports on various economic issues throughout the year.

The Commission publishes several reports each year. In addition to a Monthly Briefing, the Commission publishes the "Revenue Estimate and Economic Outlook" which describes and projects economic conditions and their impact on State revenues. The "Bonded Indebtedness Report" examines the State's debt position as well as other issues directly related to conditions in the financial markets. The "Financial Conditions of the Illinois Public Retirement Systems" provides an overview of the funding condition of the State's retirement systems. Also published are an Annual Fiscal Year Budget Summary; Report on the Liabilities of the State Employees' Group Insurance Program; and Report of the Cost and Savings of the State Employees' Early Retirement Incentive Program. The Commission also publishes each year special topic reports that have or could have an impact on the economic well-being of Illinois. All reports are available on the Commission's website.

These reports are available from:

Commission on Government Forecasting and Accountability  
802 Stratton Office Building  
Springfield, Illinois 62706  
(217) 782-5320  
(217) 782-3513 (FAX)

<http://cgfa.ilga.gov>