Three-Year Budget Forecast
FY 2025 – FY 2027

Commission on Government
Forecasting and Accountability

April, 2024

Commission on Government
Forecasting and Accountability

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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 three-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 three-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 three-year budget results based upon scenario analysis.

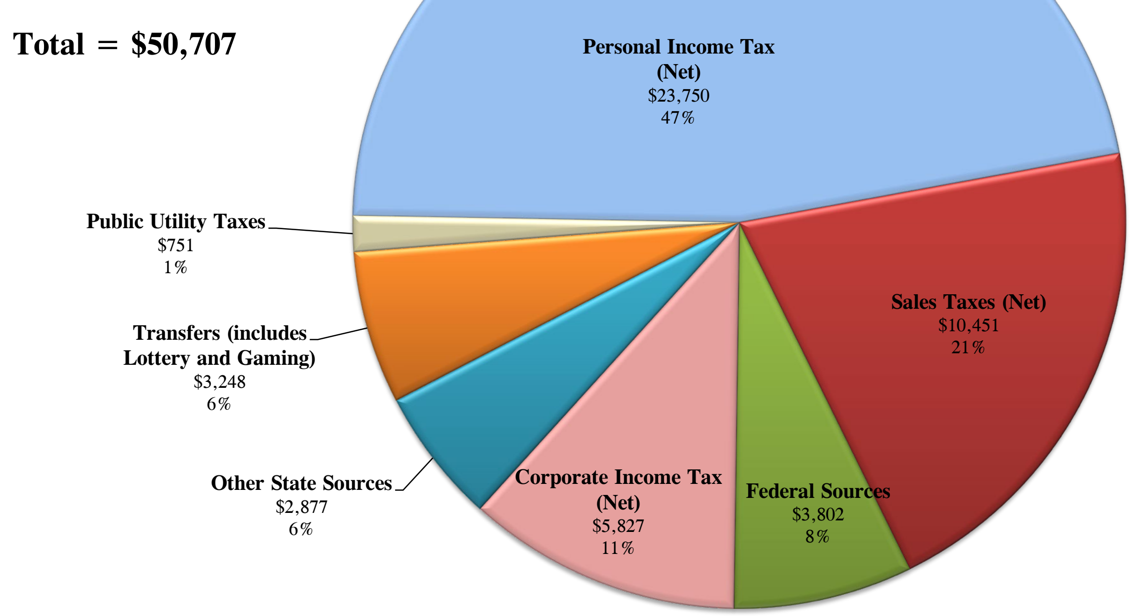
I. Illinois' Budget History

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 three-year budget forecast.

Revenues

Base General Funds revenue totaled $50.7 billion in FY 2023. This was an increase of $373 million, or 0.7% growth, compared to FY 2022's results. The majority of this increase can be attributed to the significant growth in the transfers in from the Income Tax Refund Fund caused by above-average income tax receipts from the previous fiscal year. The Income Tax Refund Fund transfer was up almost $1.2 billion in FY 2023. Most of the remaining growth was accounted for by growth in the corporate income tax, interest on state funds and investments, and the sales tax. Net corporate income tax receipts grew by $420 million in FY 2023 which equaled growth of 7.8%. Interest and investment income grew an astounding 1,257% from $30 million in FY 2022 to $407 million in FY 2023. This growth was due to increases in interest rates associated with the Fed's efforts to fight inflation. Net sales tax was up an additional $217 million.

Chart 1. FY 2023 Base General Funds Revenues
($ Million)*



*Excludes ARPA Reimbursement for Essential Government Services and SLFRF Allocation Transfer
Source: Illinois State Comptroller

While many of the main sources of revenue showed significant growth in FY 2023, there were a few revenue sources that were down. The largest decline in tax receipts was seen in net personal income tax. Net personal income tax fell from $24.8 billion in FY 2022 to $23.8 billion in FY 2023. This fall in revenue equaled 4.4%, or just under $1.1 billion. Another large decrease in revenue can be seen in money received from federal sources. Federal sources decreased to $3.8 billion in FY 2023 which was $782 million lower than FY 2022. This equated to a decline of over 17%. In addition, lottery transfers and estate tax receipts were also down almost $100 million each.

As mentioned previously, total base General Funds revenue increased by a little less than 1% in FY 2023. This is below the historical average growth in base revenues. As can be seen in Table 1 below, the 5-year average growth in revenues is 6.0%. This rate is somewhat skewed higher due to the extremely fast growth in revenue coming out of the COVID-19 pandemic. Base revenue grew almost 18% in FY 2021 and over 12% in FY 2022. This is much higher than the longer-term average between 4.2% and 4.5%. The 10-year and 15-year averages are both at 4.2%, while the 20-year average equaled 4.5%.

Analyzing individual revenue sources, the income taxes have shown high levels of growth. The personal income tax has averaged growth of 7.1% over the last 20 years, while the corporate income tax grew at 14.3%. These high rates of growth have led the income taxes to become an increasingly larger portion of base revenues. Prior to the Great Recession, the income taxes accounted for around 40% of total base revenues. This percentage has grown to almost 60% in recent years.

The growth rates of other sources have been more modest. Transfers, including Lottery and Gaming, have expanded by 6.9%. The 20-year growth rate for this revenue source increased by over two percentage points between FY 2022 and FY 2023 due to the extremely large Income Tax Refund Fund transfer in FY 2023. Federal sources have averaged growth of 3.4% per year. The second largest revenue source, sales tax, has only grown 2.9% per year. Public utility taxes have actually been declining 1.3% per year due to a fall-off in the telecommunications excise tax. Other state sources have grown a little over 2% per year.

TABLE 1. GENERAL FUNDS BASE REVENUE GROWTH RATES
FY 2004 - FY 2023*

Revenue Sources	1-Year Growth	5-Year Average	10-Year Average	15-Year Average	20-Year Average
State Taxes					
Personal Income Tax (Net)	-4.4%	6.5%	4.7%	7.0%	7.1%
Sales Taxes (Net)	2.1%	6.1%	3.7%	2.7%	2.9%
Other State Sources	18.5%	3.1%	3.4%	1.6%	2.1%
Transfers (includes Lottery and Gaming)	55.3%	13.4%	12.5%	7.9%	6.9%
Corporate Income Tax (Net)	7.8%	27.3%	11.3%	12.2%	14.3%
Public Utility Taxes	0.1%	-3.4%	-3.1%	-2.7%	-1.3%
Total State Sources	**2.5%**	**7.4%**	**4.5%**	**4.9%**	**5.1%**
Federal Sources	**-17.1%**	**-3.9%**	**4.4%**	**2.8%**	**3.4%**
Total, Base Revenues	**0.7%**	**6.0%**	**4.2%**	**4.2%**	**4.5%**

*Excludes short-term borrowing, interfund borrowing, and other one-time revenues
Illinois State Comptroller, CGFA

Expenditures

According to the Office of the Comptroller's *Traditional Budgetary Financial Report*, base General Funds expenditures were $50.8 billion in FY 2023. This was an increase of $2.5 billion, or 5.3%, over FY 2022's base expenditures. The largest amount of expenditures occurred at the State Board of Education where $9.8 billion was spent. This was up $482 million, or 5.2%, over FY 2022. Expenditures at the Department of Healthcare and Family Services, which had the second largest amount of spending, grew $666 million to $8.5 billion. This amounted to growth of 8.5%.

The largest percentage increase in expenditures occurred in the All Other Agencies category. All Other Agency spending grew just under $2.0 billion from just over $3.0 billion to $5.0 billion. This corresponds with growth of over 65%. This enormous jump in payments is associated with paying back money borrowed under Title XII of the Social Security Act to help fund the State's unemployment trust fund during the COVID-19 pandemic.

A large increase in spending was also seen in the Department of Human Services which grew from $4.5 billion in FY 2022 to $5.4 billion in FY 2023. This equated to growth of $951 million, or just over 21%. This increase was associated with an upturn in assistance payments and payments to day care providers.

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

Chart 2. FY 2023 Base General Funds Expenditures
($ Million)*

Total = $50,837

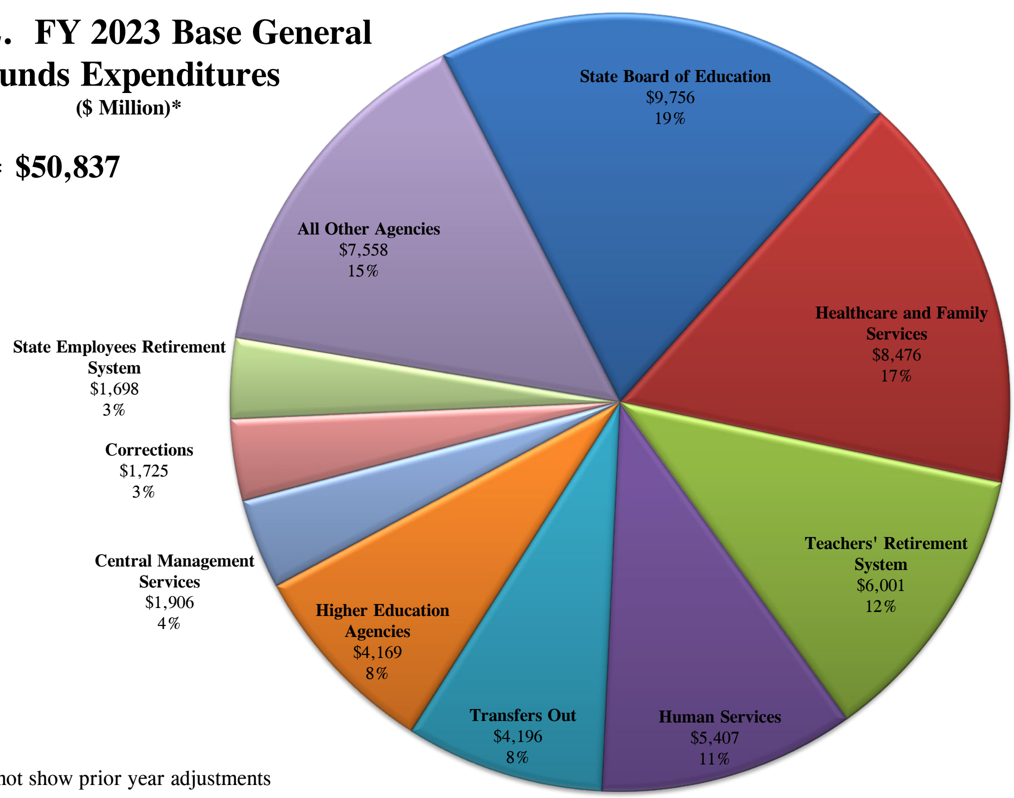


*Chart does not show prior year adjustments

Source: Illinois State 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. Spending was basically flat in FY 2019 and FY 2020, before rising in FY 2021 as the effects of COVID-19 were felt. Increases in expenditures persisted in FY 2022 and FY 2023 as the continued pay down of the backlog of bills was possible with the increase in revenues. The five-year average growth in base General Funds expenditures currently stands at 5.6%, while the 10-year rate has grown to 4.0%. The 15-year rate is a little lower at 3.8%. The 20-year growth rate stands at 4.0%.

Looking at the individual agencies, most agencies average around 2% to 4% growth per year. 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 around 10% per year, which is still relatively high, but not as high as when including Fiscal Years 2010-2012. Similarly, Central Management Services (CMS) growth rates are extremely high due to policy changes related to payments of group health insurance and the effects of the budget impasse. However, in FY 2023, the CMS's spending actually went down $946 million due to changes in the portion of employee insurance costs the State has to pay.

TABLE 2. GENERAL FUNDS BASE EXPENDITURES GROWTH RATES
FY 2004 - FY 2023

WARRANTS ISSUED	1-Year Growth	5-Year Average	10-Year Average	15-Year Average	20-Year Average
BY AGENCY					
State Board of Education	5.2%	3.6%	4.2%	2.4%	3.4%
Healthcare and Family Services	8.5%	2.5%	2.9%	1.2%	3.7%
Teachers' Retirement System*	2.8%	7.4%	8.2%	59.6%	46.6%
Human Services	21.3%	8.4%	4.9%	2.2%	2.4%
Higher Education Agencies	-0.1%	5.9%	5.2%	6.4%	4.2%
Central Management Services**	-33.2%	2.0%	144.7%	n/a	n/a
State Employees Retirement System	-1.3%	5.4%	5.2%	n/a	n/a
Corrections	13.3%	-1.2%	7.0%	4.5%	3.6%
Aging	13.9%	7.7%	3.7%	8.8%	n/a
Children and Family Services	14.9%	11.7%	6.3%	2.9%	2.6%
All Other Agencies	65.3%	24.2%	10.9%	7.3%	6.1%
Total Warrants Issued (14 months)	**8.8%**	**5.7%**	**4.7%**	**4.0%**	**4.1%**
Transfers					
Transfers Out	-22.5%	11.3%	2.1%	0.1%	7.2%
Total, Base Expenditures	**5.2%**	**5.6%**	**4.0%**	**3.8%**	**4.0%**

* The 15-year and 20-year growth rates for the Teachers' Retirement System (TRS) expenditures are 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.

** The extremely high growth in Central Management Services (CMS) expenditures is related to a policy change under which employee health insurance costs were paid by CMS instead of by individual agencies starting in FY 2013 and issues connected to the budget impasse in FY 2016 - FY 2018.

Illinois State Comptroller, CGFA

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. Illinois' financial troubles have been a continuing matter of concern and uncertainty over the years. As such, several topics in this section are recurring issues from previous year's reports for which we have provided updated information. Many of these areas have shown improvement over the last few years. An example of this improvement is the backlog of bills and interest penalty payments. Both of these items have been listed as a threat to the State for years. This year, the Commission has removed these items as these issues are no longer threats to the State at the current time.

Threats

- **Recession.** The State of Illinois' fiscal situation has improved considerably in recent years as the country rebounded from the sharp economic downturn associated with the COVID-19 pandemic. This improvement could be threatened if the country or state were to fall into recession. Most economic forecasters were calling for some sort of recession in 2023. This did not occur and the State's financial situation has continued to improve.

  In February of 2024, the results of the National Association of Business Economics (NABE) economic outlook survey stated that "…more than three-quarters of the panelists forecast that the U.S. economy is heading for a soft landing in 2024." This would indicate a slowing of the economy without falling into recession. However, the possibility of recession still exists. S & P Global's forecast for the U.S. economy in March assumed a 30% probability of a shallow recession due to tightening lending standards that restrained spending and production. Under this scenario, the U.S. would have two quarters of contraction and the unemployment rate would go up to around 6%. One major downside risk to the economy currently is that the Federal Reserve could mistakenly overtighten monetary policy, or ease policy too quickly, which could lead to economic turmoil.

  Recently Illinois has shown some signs of weakness in its economy. Despite a relatively low unemployment rate when compared to historical data, Illinois' unemployment rate of 4.7% in February is up from the 4.2% rate seen last spring. Additionally, weakness has been noted in payroll and wage data from the fall of 2023. While the revenue sources most directly related to the economy (income and sales taxes) have performed relatively well, the factors that heavily influence tax performance (employment, wages, sales tax returns, etc.) have slowed in recent months. This could be an indicator of future trouble for the State.

- **General Obligation Bond Ratings**. Illinois has had one of the lowest credit ratings among the states for years. Illinois' G.O. Bond ratings had been downgraded fifteen times since 2010. The major consequence of 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 has led to a corresponding increase in debt service costs for Illinois. Increased debt service costs is a threat to the State. However, the State's improving financial situation in recent years has led the State to receive multiple ratings upgrade by the various rating agencies.

Illinois' General Obligation ratings fell from AA territory to single A in 2009, and entered BBB territory in October 2015. By June of 2017, the rating agencies had downgraded Illinois to BBB by Fitch, BBB- by S&P and Baa3 by Moody's. While the budget impasse continued through June, all three ratings agencies threatened more downgrades if the State did not pass a budget for FY 2018. The budget-related bills -- SB 6, SB 9 and SB 42 -- did not become law until July 6, 2017, after the General Assembly overrode the Governor's vetoes. By July 20, 2017, all three rating agencies had affirmed their ratings on the State. In April 2020, near the beginning of the COVID-19 pandemic, Fitch lowered the State's G.O. rating to BBB-.

Due to the State's improving financial condition, the ratings agencies have increased the State's bond rating. In May of 2022, Fitch raised Illinois' General Obligation ratings two levels from BBB- to BBB+, and Build Illinois ratings two levels from BBB+ to A, with stable outlooks. In February and March of 2023, Moody's upgraded Illinois' G.O. and Build Illinois bonds to A3 from Baa1, and Standard and Poor's upgraded Illinois' General Obligation Bonds to A- from BBB+. This was the third single-level upgrade on Illinois' General Obligation ratings in less than three years, from both Moody's and S&P. The most recent upgrade to the State's credit rating occurred in November of 2023, when Fitch increased the State's General Obligation rating from BBB+ to A-. Despite these multiple upgrades, Illinois still has one of the lowest credit ratings among the states.

- **Unfunded Pension Liabilities**. As with previous years, the unfunded pension liabilities continue to pose an ongoing challenge to the current fiscal outlook. As of June 30, 2023, the unfunded liabilities of the State retirement systems, based on the actuarial value of assets, totaled $142 billion, led by the Teachers' Retirement System (TRS), whose unfunded liability was $82 billion. The combined funded ratio for the retirement systems for FY 2023 was 44.6%. This was up from 43.8% in FY 2022.

  The 2023 Report of the State Actuary, issued in December of 2023, noted that "The Illinois Pension Code (for TRS, SURS, SERS, JRS, and GARS) establishes a method that does not adequately fund the systems. It requires the actuary to calculate the employer contribution as the level percentage of projected payroll that would accumulate assets equal to 90% of the actuarial accrued liability in the year 2045 if all assumptions are met. This methodology does not conform to generally accepted actuarial principles and practices. Generally accepted actuarial funding methods target the accumulation of assets equal to 100% of the actuarial liability, not 90%."[1]

- **<u>Weak Demographics and Fiscal Instability.</u>** Moody's Analytics prepared the State of Illinois Economic Forecast Report for the Commission in February 2024. 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. Moody's identified weak demographics and fiscal instability as constraints on future growth. The report stated:

  > "The state will be a step behind the Midwest average and a few steps behind the nation in job and income growth over the long term. Weakening population trends and deep-rooted fiscal problems such as mounting pension obligations and a shrinking tax base represent the biggest hurdles to stronger economic performance. Persistent out-migration will weigh on the strength of employment and income gains. [2]

[1] State of Illinois Office of the Auditor General. *State Actuary's Report of the Actuarial Assumptions and Valuations of the State-Funded Retirement Systems.* 2023. https://www.auditor.illinois.gov/Audit-Reports/Performance-Special-Multi/State-Actuary-Reports/2023-State-Actuary-Rpt-Full.pdf

[2] Moody's Analytics. *State of Illinois Economic Forecast.* 2024 https://cgfa.ilga.gov/Upload/2024MoodysStofILEconomicForecast.pdf

Opportunities

This section highlights some ideas for changes that have been introduced or discussed in recent years. **The Commission is not advocating for or against the implementation of these ideas.**

- **Align Expenditures with Revenues.** A fundamental problem causing the financial instability within the State of Illinois over the past few decades is a long-term trend of having expenditures being higher than revenues. This dynamic has led to most of the problems with the State's financial condition in recent years. The misalignment of revenues to expenditures can be directly linked to the previous outstanding bill backlog, the interest penalty payments, the State's low bond ratings, and the unfunded pension liabilities.

  An opportunity exists to improve the State's financial situation by better aligning the revenues and expenditures of the State. This can be done by raising revenues, cutting spending, or some combination of both. Since the passage of the income tax increase in 2017, the gap between revenues and expenditures has partially closed but work still remains to be done to have a budgetary system that is more stable in the long-term. The State's financial picture has continued to improve with the current uptick in revenues. Continued fiscal discipline should help stabilize the State's finances but it remains to be seen how well revenues and expenditures will remain aligned during an economic downturn.

- **Reducing Rates for Timely and Prompt Payment Interest.** 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, depending upon the number of bills on hand. As of February 29, 2024, $64 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, the vast majority of these being non-General Fund expenditures. Though the amount of these types of interest payments are likely to remain low compared to previous years in the short-term, a recessionary economic environment could lead to a rebound in these types of payments.

  For every $1 billion in late bills, Illinois pays between $90 million and $120 million in interest per year depending upon the type of bill. If Illinois were to reduce the interest rate it pays for late payments, it could save the State millions of dollars per year. For example, if the late penalty rates were lowered to 7.5%, the total amount would equal $75 million per $1 billion in late bills. 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 recent years.

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 2023.

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. For more information on this topic, please see the Commission's 2017 service tax report update at: http://cgfa.ilga.gov/Upload/ServiceTaxes2017update.pdf.[3]

- **Maximize Illinois' Economic Advantages.** In previous reports by Moody's Analytics, it noted numerous economic assets that the State of Illinois possesses. These assets included skilled workers, world-class universities, more money for investment, and transportation hubs. 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."[4]

Despite its many challenges, Illinois has the foundation for strong economic growth if the State were able to better maximize these economic advantages. As a step towards taking advantage of this opportunity, in January of 2023, as part of P.A. 102-1115, $400 million was transferred to the Large Business Attraction Fund to be used to attract new business projects to Illinois.

- **Take Advantage of Current Surpluses.** Due to the recent increase in federal support, elevated income tax receipts in recent years, and solid consumer spending supported by healthy household finances, Illinois finds itself looking at projected surpluses. Illinois has an opportunity to continue its path to creating a firmer financial foundation for the State by paying down debt, investing for future growth, reducing taxes, and/or returning money to taxpayers. In 2022, P.A. 102-0696 was signed into law which paid $2.7 billion of the debt in the Unemployment Insurance Trust Fund, made additional payments into the pension systems, and sent money to the College Illinois program. Additionally, P.A. 102-0700 provided tax relief for workers and homeowners in the form of tax rebates. Money has

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

[4] Moody's Analytics/ Economic & Consumer Credit Analytics. *State of Illinois Economic Forecast*. 2022 https://cgfa.ilga.gov/Upload/2022MoodysEconomicForecast.pdf

also been allocated to the State's "Rainy-Day Fund", the Budget Stabilization Fund, which has grown to its highest level ever at just over $2.0 billion. Currently, the FY 2024 budget is estimated to have a surplus. This surplus could be used to alleviate budget spending pressures such as additional pension payments, costs associated with asylum seekers, education funding, or state facility maintenance needs.

III. Three-Year Budget Scenarios

The following section highlights the Commission's use of scenario analysis to display various budgetary results based on different spending assumptions. The section begins with a discussion of the Commission's three-year forecast for General Funds revenue. This is followed by an explanation of the Commission's methodology related to spending scenarios that the forecasted revenues are paired with. The section concludes with a presentation of the results from the scenario analysis.

Revenue Forecast

On the following page is the Commission's three-year estimate for General Funds revenues. The following forecasts are based on the Commission's March 2024 estimates presented on March 12, 2024. The Commission forecasts that FY 2024 General Funds base revenue will be $51.7 billion, a 2.0% increase over FY 2023. In addition to the base revenue, an additional $881 million in revenue has been receipted due to excess rebate funds being transferred back to the General Revenue Fund and obtaining additional federal matching due to prior year reimbursements. Total General Revenue Funds revenue is estimated to be $52.6 billion. The Commission's revenue outlook reflects current law with a view of slowing tax receipts as FY 2024 ends. The State faces potentially slowing economic growth in FY 2025 as the Fed continues to deal with higher than normal inflation and the State tackles potential weakness in the labor market.

As shown in Table 3, the Commission's FY 2025 base General Funds forecast, per current law, is $52.1 billion. The projection represents an increase in base revenues of $368 million, or 0.7%. Total General Funds revenue is expected to decline by $513 million, or 1.0%. This fall in total revenue occurs due to FY 2024 having $881 million in one-time revenues that are not assumed to be repeated in FY 2025. The growth in revenues in FY 2025 is primarily associated with rises in personal income tax receipts and federal sources. These increases are somewhat offset by decreases in corporate income tax revenue, investment income, and the refund fund transfer.

Revenues are expected to grow approximately $117 million to just under $52.2 billion in FY 2026. This growth is forecast to be primarily driven by an increase of $179 million in corporate income tax receipts. Sales tax revenue is expected to grow by $83 million, while personal income tax receipts are expected to decline by $52 million. Investment income is expected to decline another $186 million as interest rates continue to fall. When all revenue sources are accounted for, revenues are estimated to be basically flat at 0.2% growth.

Revenue growth is expected to accelerate moderately in FY 2027. Base revenues are forecast to rise to $53.5 billion. This would equal growth of 2.5%, or just under $1.3 billion. Most of the expected upswing in revenue is associate with a bounce back in personal income taxes. Net personal income tax will contribute an additional $795 million, while net corporate income tax will add $151 million. Net sales taxes are predicted to contribute an additional $287 million.

TABLE 3. CGFA ESTIMATES FY 2024 - FY 2027 (BASE REVENUES)

($ millions)

Revenue Sources	FY 2023 Actuals	CGFA Revised FY 2024 Estimate Mar-24	CGFA FY 2025 Estimate Mar-24	CGFA FY 2026 Estimate Mar-24	CGFA FY 2027 Estimate Mar-24
State Taxes					
Personal Income Tax	$27,889	$30,258	$31,254	$31,193	$32,129
Corporate Income Tax (regular)	$7,318	$6,720	$6,040	$6,263	$6,451
Sales Taxes	$11,589	$11,752	$11,987	$12,285	$12,615
Public Utility (regular)	$751	$700	$691	$689	$676
Cigarette Tax	$235	$211	$193	$174	$156
Liquor Gallonage Taxes	$181	$180	$182	$183	$184
Inheritance Tax	$503	$590	$610	$625	$645
Insurance Taxes & Fees	$492	$487	$501	$505	$509
Corporate Franchise Tax & Fees	$225	$210	$195	$193	$190
Interest on State Funds & Investments	$407	$650	$534	$348	$292
Cook County Intergovernmental Transfer	$244	$244	$244	$244	$244
Other Sources	$590	$640	$692	$670	$685
Total State Taxes	$50,424	$52,642	$53,123	$53,372	$54,776
Transfers In					
Lottery	$726	$870	$880	$890	$900
Gaming	$157	$175	$190	$240	$244
Cannabis	$111	$110	$111	$112	$113
Refund Fund	$1,481	$555	$400	$400	$400
Other	$773	$832	$778	$781	$787
Total Transfers In	$3,248	$2,542	$2,359	$2,423	$2,444
Total State Sources	$53,672	$55,184	$55,482	$55,795	$57,220
Federal Sources [Base]	$3,802	$3,675	$3,969	$4,023	$4,103
Total Federal & State Sources	$57,474	$58,859	$59,451	$59,818	$61,323
Nongeneral Funds Distribution:					
Refund Fund*					
Personal Income Tax	($2,580)	($2,769)	($2,860)	($2,854)	($2,940)
Corporate Income Tax	($1,062)	($941)	($846)	($877)	($903)
Local Government Distributive Fund					
Personal Income Tax	($1,559)	($1,779)	($1,837)	($1,834)	($1,889)
Corporate Income Tax	($429)	($396)	($356)	($369)	($380)
Sales Tax Distributions					
Sales Tax Deposits into Road Fund	($484)	($596)	($793)	($991)	($1,015)
Sales Tax Distribution to the PTF and DPTF	($654)	($669)	($682)	($699)	($718)
General Funds Subtotal [Base]	**$50,707**	**$51,709**	**$52,077**	**$52,194**	**$53,478**
Change from Prior Year	$373	$1,002	$368	$117	$1,284
Percent Change	0.7%	2.0%	0.7%	0.2%	2.5%
Transfer of Excess Rebate Funds Back to GRF	$0	$248	$0	$0	$0
Prior Year Federal Matching Funds	$0	$633	$0	$0	$0
ARPA Reimb. for Essential Gov't Services	$1,064	$0	$0	$0	$0
SLFRF Allocation Transfer	$1,363	$0	$0	$0	$0
Total General Funds Revenues	**$53,134**	**$52,590**	**$52,077**	**$52,194**	**$53,478**
Change from Prior Year	$2,064	($544)	($513)	$117	$1,284
Percent Change	4.0%	-1.0%	-1.0%	0.2%	2.5%

* The FY 2024-27 estimates were based on statutory refund percentages of 9.15% for PIT and 14.0% for CIT.

SOURCE: Office of the Comptroller: Some totals may not equal, due to rounding

Budget Scenario Analysis

The Commission utilized these revenue estimates to present budget scenarios using various spending levels as spending will change based upon priorities that will be determined during budget negotiations. Three budget scenarios were analyzed using the Commission's revenue estimates with different spending growth rates. These scenarios are presented in Table 4 on the following page. **The Commission is not advocating for or against the implementation of these revenue and spending levels.**

Table 4 shows the Commission's methodology which uses the Commission's revenue estimates for FY 2024 through FY 2027. These revenue estimates are based on current law and do not include any of the $1.1 billion in net revenue adjustments proposed by the Governor in the FY 2025 Budget Book. The values for State spending are based on the Governor's Budget Book expenditure projections for the current fiscal year FY 2024 and for FY 2025. (While the FY 2025 expenditure forecast may be reduced if the Governor's proposed revenue adjustments were not fully implemented, this exercise does not assume an adjustment to the spending projection). Various spending growth rates based on historical data are then applied to the spending base over the following two fiscal years to calculate the effect on accounts payable (bills on hand) in individual years and in aggregate.

The first scenario shows how much spending could occur while keeping accounts payable at the same level as seen at the end of FY 2023. The second growth rate reflects spending that would have accounts payable equaling $3 billion at the end of the three-year forecast. An accounts payable level near $3 billion is similar to what would be seen under circumstances where the State is paying its bills within thirty days. The third and final scenario employed the twenty-year expenditure growth rate of 4.0%. No debt restructuring was assumed in any of these scenarios.

In each set of scenarios, accounts payable (bills on hand) totaling $484 million was assumed at the end of FY 2023 as indicated by the Office of the Comptroller in their Comptroller's Quarterly from the fourth quarter of FY 2023. Then, when combining these figures with the projected surplus in FY 2024 of $647 million (applying the Commission's FY 2024 revenue projection of $52.590 billion with the GOMB spending estimate of $51.943 billion), the accounts payable grows to a surplus of $163 million in FY 2024. This is an unlikely situation as the State always has some bills "in the pipeline" and this would basically indicate that the State is paying bills that have not yet been incurred. In practicality, once the accounts payable goes to zero, funds would begin to accrue in the General Revenue Fund or otherwise be allocated for another purpose. For simplicity's sake, the Commission has shown these as a surplus in accounts payable. At the end of February 2024, the oldest General Revenue Fund voucher pending at the Illinois Office of the Comptroller was 14 business days.

For each of the scenarios, when the Commission's current law revenue estimate for FY 2025 [$52.077 billion] is combined with GOMB's FY 2025 proposed spending estimate [$52.695 billion], a FY 2025 deficit of $618 million results. When the $618 million deficit is added to the FY 2024 final projected balance of $163 million, a FY 2025 "bills on hand" value of $455 million results. This is the starting point for the three various scenarios for the two out years.

Scenario Analysis Results

Table 4, on page 15, contains revenues, spending, operating surplus/deficit, and cumulative accounts payable for each scenario. **To be clear, these budget scenarios are NOT a Commission projection of what will occur, but rather, an exercise simply displaying what a fiscal year balance would look like under certain conditions of expenditures**.

Scenario 1. Keep Accounts Payable at FY 2023 Level

Revenue: CGFA
Spending Base: GOMB FY 2024 and FY 2025
Spending Growth: 0.197% in FY 2026 and FY 2027

The first scenario analyzed demonstrates the average growth in spending that would be necessary to have the level of accounts payable be the same as what it was at the end of FY 2023. This level of accounts payable would be equal to $484 million which is down considerably compared to previous years. To meet these criteria, spending would need to average growth of about 0.2% over the last two years of the forecast. In this scenario and all the other scenarios, there is an estimated $647 million surplus in FY 2024 and a deficit of $618 million in FY 2025. This leads to the accounts payable being a positive $163 million at the end of FY 2024, as discussed previously, and a negative $455 million in FY 2025. The State runs a deficit equal to $605 million in FY 2026, before returning to a surplus of $576 million in FY 2027. Total spending rises to just over $52.9 billion in this scenario. Revenues grow to a little below $53.5 billion in all scenarios.

Scenario 2. Maintain Accounts Payable at $3 billion

Revenue: CGFA
Spending Base: GOMB FY 2024 and FY 2025
Spending Growth: 1.778% in FY 2026 and FY 2027

The second scenario analyzed shows the spending that would be necessary to have accounts payable equal to $3.0 billion, which would have the State paying its bills within thirty days, at the end of FY 2027. To reach this level of accounts payable with consistent expenditure growth would necessitate three years of deficit spending at just under 1.8% during FY 2026 and FY 2027. FY 2025 would see a deficit of $618 million. Deficits of $1.4 billion in FY 2026 and $1.1 billion in FY 2027 lead to an accounts payable level of $3 billion at the end of FY 2027. In this scenario, spending increases to $54.6 billion. This scenario shows what kind of revenue and spending levels would be needed to keep the State paying its bills in a timely manner. While this scenario keeps the payment cycle to under 30-days, it includes three years of deficit spending which would be reverting back to fiscal habits that led the State to its poor financial condition seen in the past.

Scenario 3. Twenty-Year Average Spending Growth

Revenue:	CGFA
Spending Base:	GOMB FY 2024 and FY 2025
Spending Growth:	4.0% in FY 2026 and FY 2027

This final scenario uses the twenty-year average of 4.0% annual growth in spending. Under this scenario, the accounts payable continually grows as deficit spending occurs in each of the fiscal years. FY 2025 sees a deficit of $618 million. This deficit grows to just over $2.6 billion in FY 2026 and $3.5 billion in FY 2027. The accounts payable grows to just under $6.6 billion by the end of this period. In this scenario spending rises to $57.0 billion, while revenues only reach $53.5 billion. This scenario demonstrates that a return to longer-term growth rates in spending in the out years could cause the backlog of bills to become a problem once again if spending were to occur at levels significantly higher than the anticipated revenue stream for these particular fiscal years. While this scenario provides a mathematical scenario of the deficit that would occur under these specific situations, in reality, spending may be

TABLE 4. THREE-YEAR BUDGET SCENARIOS
($ million)

Scenario 1: Keep Accounts Payable at FY 2023 Level

FY24 and FY25 spending per Budget Book, +0.2% thereafter

	Revenues	Spending	General Funds Surplus/Deficit	End of Fiscal Year Accounts Payable (Bills on Hand)
FY 2024	$52,590	$51,943	$647	$163
FY 2025	$52,077	$52,695	($618)	($455)
FY 2026	$52,194	$52,799	($605)	($1,060)
FY 2027	$53,478	$52,902	$576	($484)

Scenario 2: Maintain Accounts Payable at $3 Billion

FY24 and FY25 spending per Budget Book, +1.8% thereafter

	Revenues	Spending	General Funds Surplus/Deficit	End of Fiscal Year Accounts Payable (Bills on Hand)
FY 2024	$52,590	$51,943	$647	$163
FY 2025	$52,077	$52,695	($618)	($455)
FY 2026	$52,194	$53,632	($1,438)	($1,893)
FY 2027	$53,478	$54,585	($1,107)	($3,000)

Scenario 3: 20-Year Average Growth in Spending

FY24 and FY25 spending per Budget Book, +4.0% thereafter

	Revenues	Spending	General Funds Surplus/Deficit	End of Fiscal Year Accounts Payable (Bills on Hand)
FY 2024	$52,590	$51,943	$647	$163
FY 2025	$52,077	$52,695	($618)	($455)
FY 2026	$52,194	$54,803	($2,609)	($3,064)
FY 2027	$53,478	$56,995	($3,517)	($6,581)

All scenarios use CGFA revenue estimates, the Governor's FY 2025 State Budget Proposal for FY 2024 and FY 2025 spending, and an estimated accounts payable of $484 million at the end of FY 2023.

Governor's Office of Management and Budget, Illinois State Comptroller, CGFA constrained below this average rate if revenue growth were to be at the modest levels currently anticipated.

It must also be emphasized that the forecasted revenues after FY 2024 do not contain any one-time revenues. Over the past decade, the State has averaged almost $1.3 billion per year in one-time revenue sources. These large amounts are being skewed somewhat by the financial assistance from the federal government during the COVID-19 pandemic. Nonetheless, the State averaged a hefty $875 million in one-time revenues between FY 2014 to FY 2019. However, some fiscal years may have little or no additional revenue, and therefore, should not be assumed moving forward.

Conclusion

The State of Illinois' financial condition has improved considerably in the past few years. After the budget stalemate that occurred from 2015-2017, the State's financial position has been getting better each year. As the effects of the budget stalemate reached their apex, the accounts payable grew to $16.7 billion at the beginning of November 2017. Since then, the State has ended each fiscal year with the backlog being smaller through increased revenue and the conversion of $6 billion of the backlog of bills into long-term bond debt. In fact, the accounts payable has been reduced so much and bills are being paid so promptly, that the accounts payable should not be considered a backlog of bills any longer. The State's fiscal condition and economic environment have improved enough that Illinois has received numerous upgrades from the credit ratings agencies.

Illinois has been able to pay down some of its long-term pension costs which will lead to savings in the future. The State has built up its rainy-day fund to the highest levels ever and returned some of its revenue back to taxpayers. Current FY 2024 forecasts could potentially allow for more of this kind of spending in the short-term. However, looking into FY 2025 and beyond, economic and tax revenue forecasts remain murky as the economy is expected to continue to slow. The State needs to continue to show fiscal discipline and demonstrate that the results of the past few years are not an anomaly.

APPENDIX A. DETAILED GENERAL FUNDS REVENUE HISTORY FY 2014 - FY 2023

($ millions)

Revenue Sources	Actual Receipts FY 2014	Actual Receipts FY 2015	Actual Receipts FY 2016	Actual Receipts FY 2017	Actual Receipts FY 2018	Actual Receipts FY 2019	Actual Receipts FY 2020	Actual Receipts FY 2021	Actual Receipts FY 2022	Actual Receipts FY 2023
State Taxes										
Personal Income Tax	$18,388	$17,682	$15,299	$15,385	$20,784	$22,604	$21,657	$26,350	$29,137	$27,889
Corporate Income Tax (regular)	3,640	3,129	2,334	1,610	2,607	3,026	2,596	4,450	6,831	7,318
Sales Taxes	7,676	8,030	8,063	8,043	8,256	8,897	8,691	9,799	10,984	11,589
Public Utility Taxes (regular)	1,013	1,006	926	884	896	863	831	752	750	751
Cigarette Tax	353	353	353	353	344	361	267	281	254	235
Liquor Gallonage Taxes	165	167	170	171	172	172	177	177	183	181
Inheritance Tax (Gross)	276	333	306	261	358	388	283	450	603	503
Insurance Taxes and Fees	333	353	398	391	432	396	361	480	455	492
Corporate Franchise Tax & Fees	203	211	207	207	207	247	210	322	216	225
Interest on State Funds & Investments	20	24	24	36	79	145	137	57	30	407
Cook County Intergovernmental Transfer	244	244	244	244	244	244	244	244	244	244
Other Sources	624	735	574	725	679	710	761	339	443	590
Total State Taxes	**$32,935**	**$32,267**	**$28,898**	**$28,310**	**$35,058**	**$38,053**	**$36,215**	**$43,701**	**$50,130**	**$50,424**
Transfers In										
Lottery	668	679	677	720	719	731	630	777	820	726
Gaming	321	292	277	270	272	269	195	0	140	157
Cannabis	0	0	0	0	0	0	18	71	115	111
Refund Fund	397	63	77	4	1	327	617	282	282	1,481
Other	716	1,949	550	548	1,185	708	971	420	735	773
Total Transfers In	**$2,102**	**$2,983**	**$1,581**	**$1,542**	**$2,177**	**$2,035**	**$2,431**	**$1,550**	**$2,092**	**$3,248**
Total State Sources	**$35,037**	**$35,250**	**$30,479**	**$29,852**	**$37,235**	**$40,088**	**$38,646**	**$45,251**	**$52,222**	**$53,672**
Federal Sources	**$3,903**	**$3,330**	**$2,665**	**$2,483**	**$5,238**	**$3,600**	**$3,551**	**$4,744**	**$4,584**	**$3,802**
Total Federal & State Sources	**$38,940**	**$38,580**	**$33,144**	**$32,335**	**$42,473**	**$43,688**	**$42,197**	**$49,995**	**$56,806**	**$57,474**
Nongeneral Funds Distribution:										
Refund Fund										
Personal Income Tax	($1,746)	($1,769)	($1,493)	($1,724)	($2,037)	($2,193)	($2,058)	($2,372)	($2,696)	($2,580)
Corporate Income Tax	(476)	(439)	(362)	(278)	(457)	(470)	(370)	(625)	(1,026)	(1,062)
Direct Deposits										
Fund for Advancement of Education	0	(242)	(458)	(464)	0	0	0	0	0	0
Commitment to Human Services Fund	0	(242)	(458)	(464)	0	0	0	0	0	0
Local Government Distributive Fund										
Personal Income Tax	0	0	0	0	(1,022)	(1,175)	(1,128)	(1,453)	(1,602)	(1,559)
Corporate Income Tax	0	0	0	0	(133)	(167)	(145)	(262)	(398)	(429)
Sales Tax Distributions										
Deposits into Road Fund	0	0	0	0	0	0	0	0	(132)	(484)
Distribution to the PTF and DPTF	0	0	0	0	(446)	(488)	(436)	(431)	(618)	(654)
General Funds Subtotal [Base]	**$36,718**	**$35,888**	**$30,373**	**$29,405**	**$38,378**	**$39,195**	**$38,060**	**$44,852**	**$50,334**	**$50,707**
Change from Prior Year	$654	($830)	($5,515)	($968)	$8,973	$817	($1,135)	$6,792	$5,482	$373
Percent Change	1.8%	-2.3%	-15.4%	-3.2%	30.5%	2.1%	-2.9%	17.8%	12.2%	0.7%
SLFRF Allocation Transfer	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$1,363**
ARPA Reimb. for Essential Gov't Services	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$736**	**$1,064**
Short-Term Borrowing/MLF	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$1,198**	**$1,998**	**$0**	**$0**
Treasurer's Investments	**$0**	**$0**	**$0**	**$0**	**$0**	**$750**	**$400**	**$400**	**$0**	**$0**
Interfund Borrowing	**$0**	**$454**	**$0**	**$0**	**$533**	**$250**	**$462**	**$0**	**$0**	**$0**
Income Tax Bond Fund Transfer	**$0**	**$0**	**$0**	**$0**	**$2,500**	**$0**	**$0**	**$0**	**$0**	**$0**
FY'13/14 Backlog Payment Fund Transfer	**$50**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Budget Stabilization Fund Transfer	**$275**	**$275**	**$125**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Pension Contribution Fund Transfer	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Total General Funds	**$37,043**	**$36,617**	**$30,498**	**$29,405**	**$41,451**	**$40,195**	**$40,120**	**$47,250**	**$51,070**	**$53,134**
Change from Prior Year	$440	($426)	($6,119)	($1,093)	$12,046	($1,256)	($75)	$7,130	$3,820	$2,064
Percent Change	1.2%	-1.2%	-16.7%	-3.6%	41.0%	-3.0%	-0.2%	17.8%	8.1%	4.0%

Source: ILLINOIS STATE COMPTROLLER, CGFA

APPENDIX B. GENERAL FUNDS EXPENDITURES HISTORY BY AGENCY FY 2014 - FY 2023

($ million)

WARRANTS ISSUED	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
BY AGENCY										
State Board of Education	$6,681	$6,545	$6,507	$7,211	$8,201	$8,376	$8,886	$8,873	$9,274	$9,756
Healthcare and Family Services	$7,292	$6,525	$6,090	$5,972	$7,601	$7,633	$6,743	$7,548	$7,810	$8,476
Teachers' Retirement System	$3,529	$3,479	$3,851	$4,096	$4,210	$4,592	$4,946	$5,278	$5,838	$6,001
Human Services	$3,217	$3,363	$3,153	$3,283	$3,640	$3,740	$4,001	$4,228	$4,456	$5,407
Higher Education Agencies	$3,303	$3,291	$2,039	$3,359	$3,141	$3,226	$3,578	$3,747	$4,174	$4,169
Central Management Services	$1,513	$1,608	$28	$182	$1,960	$2,101	$2,082	$2,078	$2,852	$1,906
State Employees Retirement System	$1,097	$1,149	$1,367	$1,309	$1,319	$1,395	$1,638	$1,705	$1,721	$1,698
Corrections	$1,276	$1,310	$888	$1,076	$1,890	$1,519	$1,490	$1,502	$1,523	$1,725
Aging	$935	$880	$646	$590	$893	$919	$984	$1,055	$1,132	$1,289
Children and Family Services	$684	$672	$619	$684	$746	$780	$839	$999	$1,122	$1,289
All Other Agencies	$2,012	$1,952	$1,574	$1,662	$1,808	$2,106	$2,193	$2,364	$3,012	$4,980
Prior Year Adjustments	-$60	-$11	-$12	-$3	-$28	-$26	-$17	-$50	-$38	-$55
Total Warrants Issued	**$31,479**	**$30,763**	**$26,750**	**$29,421**	**$35,381**	**$36,361**	**$37,363**	**$39,327**	**$42,876**	**$46,641**
Transfers										
Transfers Out	$5,497	$4,858	$4,576	$4,636	$3,610	$3,906	$2,596	$5,200	$5,417	$4,196
Total Expenditures	**$36,976**	**$35,621**	**$31,326**	**$34,057**	**$38,991**	**$40,267**	**$39,959**	**$44,527**	**$48,293**	**$50,837**
Change from Prior Year	$1,333	($1,355)	($4,295)	$2,731	$4,934	$1,276	($308)	$4,568	$3,766	$6,310
Percent Change	3.7%	-3.7%	-12.1%	8.7%	14.5%	3.3%	-0.8%	11.4%	8.5%	14.2%
Repayment of Short-Term Borrowing	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$1,209**	**$0**	**$0**
Cash Flow Transfers	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Repayment of Interfund Borrowing	**$0**	**$0**	**$0**	**$15**	**$128**	**$10**	**$280**	**$127**	**$710**	**$0**
Budget Stabilization Fund Transfers	**$275**	**$275**	**$125**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Treasurer's Investments	**$0**	**$0**	**$0**	**$0**	**$0**	**$700**	**$0**	**$800**	**$0**	**$0**
Treasurer's Investments - Contingency Fund Exchange	**$0**	**$0**	**$0**	**$0**	**$0**	**$50**	**$0**	**$0**	**$0**	**$0**
Total, Base Expenditures	**$36,701**	**$35,346**	**$31,201**	**$34,042**	**$38,863**	**$39,507**	**$39,679**	**$42,391**	**$47,583**	**$50,837**
Change from Prior Year	$1,466	($1,355)	($4,145)	$2,841	$4,821	$644	$172	$2,712	$5,192	$3,254
Percent Change	4.2%	-3.7%	-11.7%	9.1%	14.2%	1.7%	0.4%	6.8%	12.2%	6.8%

Source: ILLINOIS STATE COMPTROLLER, CGFA

COMMISSION OVERVIEW

The Commission on Government Forecasting & Accountability is a bipartisan legislative support service agency responsible for advising the Illinois General Assembly on economic and fiscal policy issues and for providing objective policy research for legislators and legislative staff. The Commission's board is comprised of twelve legislators—split evenly between the House and Senate and between Democrats and Republicans.

The Commission has three internal units––Revenue, Pensions, and Research, each of which has a staff of analysts and researchers who analyze policy proposals, legislation, state revenues & expenditures, and benefit programs, and who provide research services to members and staff of the General Assembly. The Commission's staff fulfills the statutory obligations set forth in the Commission on Government Forecasting and Accountability Act (25 ILCS 155/), the State Debt Impact Note Act (25 ILCS 65/), the Illinois Pension Code (40 ILCS 5/), the Pension Impact Note Act (25 ILCS 55/), the State Facilities Closure Act (30 ILCS 608/), the State Employees Group Insurance Act of 1971 (5 ILCS 375/), the Public Safety Employee Benefits Act (820 ILCS 320/), the Legislative Commission Reorganization Act of 1984 (25 ILCS 130/), and the Reports to the Commission on Government Forecasting and Accountability Act (25 ILCS 110/).

- The **Revenue Unit** issues an annual revenue estimate, reports monthly on the state's financial and economic condition, and prepares bill analyses and debt impact notes on proposed legislation having a financial impact on the State. The Unit publishes a number of statutorily mandated reports, as well as on-demand reports, including the Monthly Briefing newsletter and annually, the *Budget Summary, Capital Plan Analysis, Illinois Economic Forecast Report, Wagering in Illinois Update,* and *Liabilities of the State Employees' Group Insurance Program,* among others. The Unit's staff also fulfills the agency's obligations set forth in the State Facilities Closure Act.
- The **Pension Unit** prepares pension impact notes on proposed pension legislation and publishes several statutorily mandated reports including the *Financial Condition of the Illinois State Retirement Systems,* the *Financial Condition of Illinois Public Pension Systems and the Fiscal Analysis of the Downstate Police & Fire Pension Funds in Illinois*. The Unit's staff also fulfills the statutory responsibilities set forth in the Public Safety Employee Benefits Act.
- The **Research Unit** primarily performs research and provides information as may be requested by members of the General Assembly or legislative staffs. Additionally, the Unit maintains a research library and, per statute, collects information concerning state government and the general welfare of the state, examines the effects of constitutional provisions and previously enacted statutes, and considers public policy issues and questions of state-wide interest. Additionally, the Unit publishes *First Reading*, a quarterly newsletter which includes abstracts of annual reports or special studies from other state agencies, the *Illinois Tax Handbook for Legislators, Federal Funds to State Agencies*, various reports detailing appointments to State Boards and Commissions, the *1970 Illinois Constitution Annotated for Legislators*, the *Roster of Illinois Legislators*, and numerous special topic publications.

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