

***ILLINOIS ECONOMIC
AND
FISCAL COMMISSION***

***FY 2001 LEGISLATIVE
CAPITAL PLAN ANALYSIS***



MARCH, 2000
703 STRATTON BUILDING
SPRINGFIELD, ILLINOIS 62706

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FY 2001 LEGISLATIVE CAPITAL PLAN

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March 6, 2000

To the Members of the Illinois Economic and Fiscal Commission:

I am pleased to submit the FY 2001 Legislative Capital Plan Analysis for your review.

One of the duties of the Illinois Economic and Fiscal Commission is to review the long-term capital needs of the State. This report is based on the Governor's recommended FY 2001 budget and examines the priorities contained in the budget book. The first part of this report summarizes the Illinois FIRST program, details authorization and bond sale levels, estimated debt service, and aggregate recommended appropriation amounts. A review of the Governor's recommended capital plan for FY 2001 shows:

A requested increase in general obligation bond authorization of \$625.8 million in multi-purpose bonds;

FY 2001 general obligation and Build Illinois bond sales of \$1.2 billion and \$100.0 million respectively for projects. For G.O. bond sales this represents an increase of \$200.0 million from estimated FY 2000 G.O. bond sales of \$1.0 billion. Build Illinois bond sales remain the same as the previous fiscal year;

An increase in G.O. debt service of \$95.0 million in FY 2001 to \$812.0 million, of which \$461.4 million is for principal payments and \$350.6 million is for interest;

New appropriations from general obligation bond funds totaling \$1.669 billion and reappropriations of \$2.462 billion, which represent a decrease in new appropriations of \$94.0 million and an increase in reappropriations levels of \$898.0 million from FY 2000 levels.

The second part of this report lists individual capital projects which would receive appropriation authority under the Governor's proposed FY 2001 budget.

I hope this report provides some insight into the proposed capital expenditures of the State and that you may find it useful as you make decisions regarding FY 2001 appropriations.

Sincerely,

Dan R. Long
Executive Director

DRL:dkb

FY 2001 LEGISLATIVE CAPITAL PLAN ANALYSIS

This report is divided into two sections. The first looks at what is contained in the capital portion of the Governor's FY 2001 recommended budget. The amount of additional general obligation bond authorization requested, the level of proposed bond sales, and other pertinent information are reviewed within this section. The second part of the report uses a capital plan prepared by the Bureau of the Budget as a basis for looking at the Governor's project priorities.

FY 2001 BUDGET BOOK REVIEW

The Governor's FY 2001 budget book contains some information on future debt issuance and the State's capital needs. Additionally, the Bureau of the Budget provided a five-year capital expenditure plan, which lists projects to be funded through the FY 2001 appropriation request. This analysis is based on what is contained in the budget book and the expenditure plan. It is, therefore, rather limited in nature. It should provide insight into what can be expected to occur if the Governor's budget recommendation is approved.

Illinois FIRST

In May 1999, Governor Ryan proposed Illinois FIRST (Fund for Infrastructure, Roads, Schools and Transit) as a \$12.0 billion, five-year capital program starting in FY 2000. The program was designed to spend \$4.1 billion on mass transit, \$4.1 billion on other transportation needs, \$2.2 billion on school construction, and \$1.6 billion on environmental and other local projects. The Governor proposed to pay for the program with \$4.3 billion in new State bond debt; \$3.1 billion in new State revenues; \$1.6 billion in new debt issued by the RTA; and \$3.0 billion in leveraged federal construction matching funds.

Legislation authorization for the Governor's Illinois FIRST program is included in Public Acts 91-0037, 91-0038, and 91-0039 signed by the Governor on June 15, 1999. Public Act 91-0039 increased general obligation bond authorization to \$16.178 billion, an increase of \$5.283 billion from \$10.895 billion. The new debt is to be sold over the next 7 years to accommodate anticipated construction schedules. Authorization was also increased by approximately \$755 million for the Build Illinois program to fund other infrastructure programs.

Public Act 91-0037 granted bond authority to the Metra and increased the bond authorization for the RTA. The act increased the RTA's authority to issue Strategic Capital Improvement Projects (SCIP) bonds by \$1.3 billion. The additional bonding authority is to be increased in increments of \$260.0 million in every calendar year from 2000 through 2004.

Public Acts 91-0037 and 91-0038 altered the structure of several fees and taxes in order to provide revenues for different aspects of the Illinois FIRST program. Included in the funding program is an increase in vehicle registration fees from \$48 annually to \$78 annually; a 25 percent increase in large truck and trailer registrations; an increase in certificate of title fees from \$13 to \$65 for deposit into the State's Road Fund; and a reduction in the diversion from the Road Fund for non-highway purposes. An increase in alcohol taxes was also established for deposit into the State's general funds. Additional revenues from these fees are expected to generate approximately \$571 million annually.

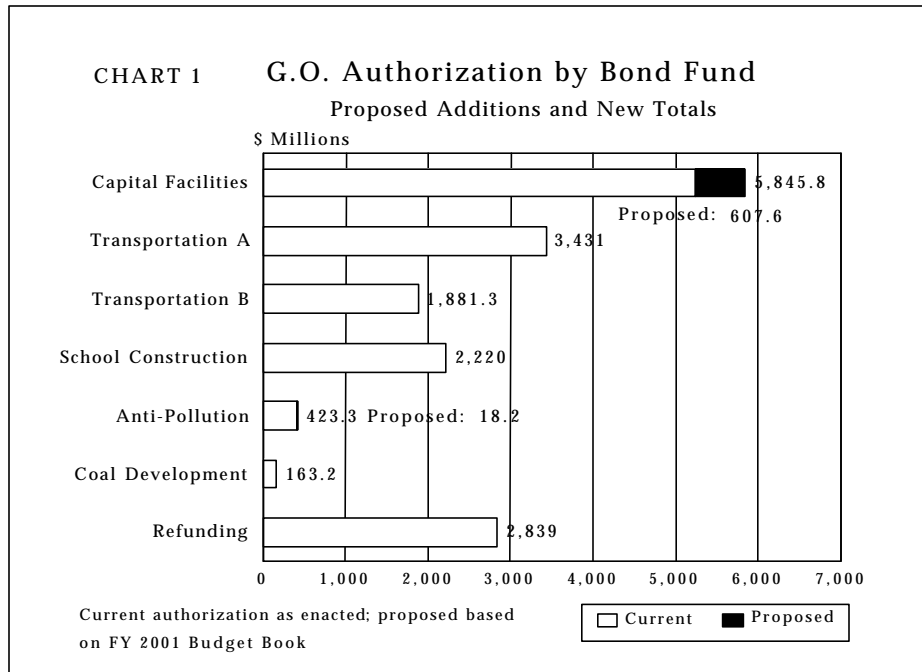
Authorization

The State ended FY 1999 with a general obligation (G.O.) bond authorization level of \$10,895,296,392. In June 1999, the General Assembly passed legislation (P.A. 91-0039) which increased the authorization by \$5.283 billion, making the total authorization for FY 2000 \$16,177,847,592.

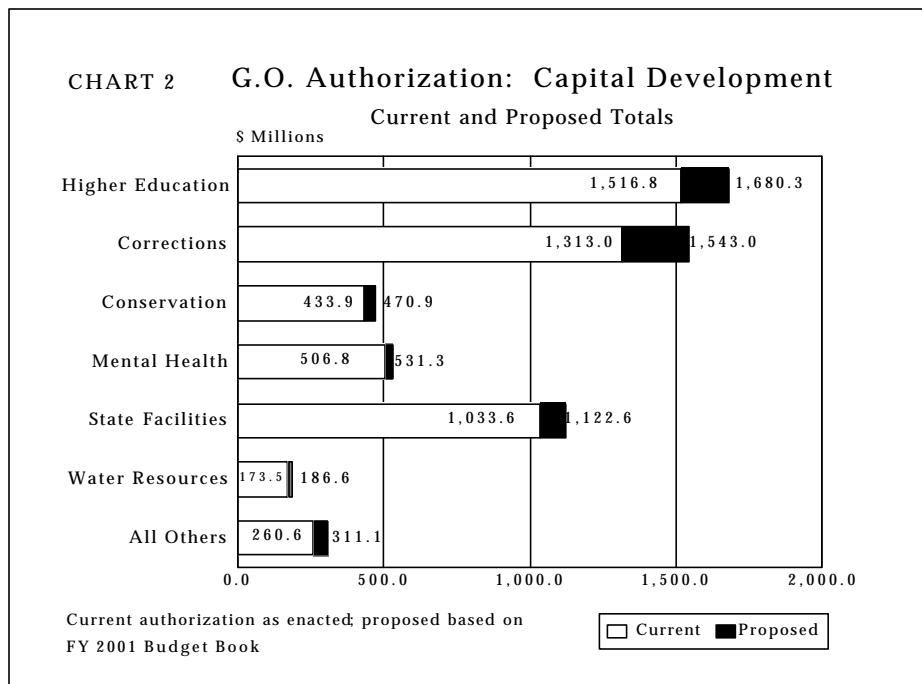
As indicated in the FY 2001 budget book and illustrated below, the Governor is requesting \$625.8 million in additional general obligation authorization, which would bring the total G.O. bond authorization to \$16.804 billion, a 3.9% increase over the current authorization level. The additional authorization is requested as follows: \$607.6 million in the Capital Facilities category and \$18.2 million in the Anti-Pollution category. Table 1 shows the change in general obligation bond authorization leading up to FY 2000 and what is proposed for FY 2001.

TABLE 1: RECENT G.O. BOND AUTHORIZATION CHANGES						
<u>\$ in Millions</u>	<u>End of FY 1999</u>	<u>Inc. per P.A. 91-0039</u>	<u>FY 2000</u>	<u>Requested FY 2001</u>	<u>Proposed Increase</u>	<u>% Increase</u>
Capital Facilities	\$4,335.3	\$902.9	\$5,238.2	\$5,845.8	\$607.6	11.6%
Transportation A	1,411.0	2,020.0	3,431.0	3,431.0		
Transportation B	1,073.3	808.0	1,881.3	1,881.3		
School Construction	1,200.0	1,020.0	2,220.0	2,220.0		
Coal Development	163.2	0.0	163.2	163.2		
Anti-Pollution	373.5	31.6	405.1	423.3	18.2	4.5%
Refunding	2,339.0	500.0	2,839.0	2,839.0		
TOTAL G.O. Authority	\$10,895.3	\$5,282.5	\$16,177.8	\$16,803.6	\$625.8	3.9%

The proposed increase of \$607.6 million in the Capital Facilities category represents an 11.6% increase over the current level of \$5.238 billion. The requested \$18.2 million increase in the Anti-Pollution authorization represents a 4.5% rise in that category.



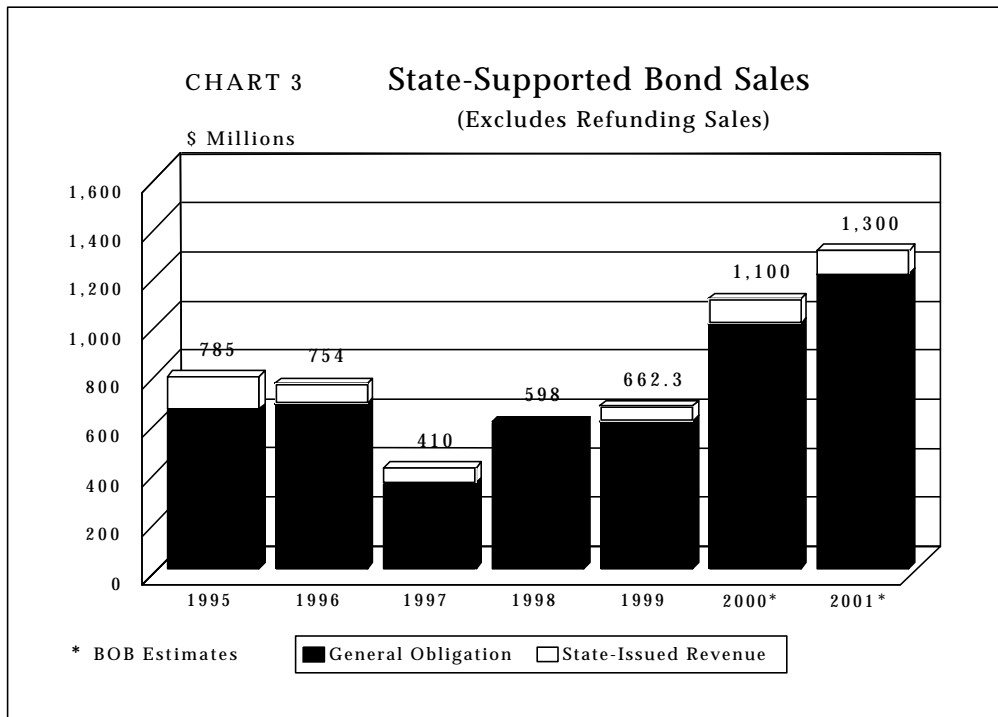
The Capital Development Fund authorization is broken down into a variety of categories that either specify a type of capital spending or the State agencies for which the funds will be disbursed. Chart 2 shows how the proposed increase of \$607.6 million would be allocated.



As Chart 2 shows, Correction Facilities would receive \$230.0 million of the \$607.6 million Capital Development Fund authorization increase, representing a 17.5% increase in that category. Higher Education would receive the next largest increase in authorization, at \$163.5 million (10.8% increase). Authorization for State Facilities is to increase by \$89.0 million (8.6% increase), for Conservation by \$37.0 million (8.5% increase), for Grants to Local Governments by \$10.1 million (7.3% increase), for the Illinois Open Land Trust Program by \$40.4 million (100.0% increase), for Mental and Public Health by \$24.5 million (4.8% increase), and for Water Resources by \$13.1 million (7.6% increase).

Bond Sales

For FY 2001, general obligation bond and Build Illinois bond sales of \$1.2 billion and \$100 million, respectively, are anticipated. Chart 3 below shows only new money bond sales.



To date, \$260 million in general obligation bonds have been sold in FY 2000. Last November, the State issued \$100.0 million of general obligation bonds. In February, the State issued an additional \$160 million of general obligation bonds. The Bureau of the Budget anticipates additional sales of up to \$740 million of general obligation bonds by the end of FY 2000. The Bureau of the Budget also anticipates sales of up to \$100 million of Build Illinois Bonds by the end of FY 2000.

The Bureau has proposed sales of \$1.2 billion of general obligation bonds for projects in FY 2001. This projected level of bond sales would be 20.5% higher than the estimated level for FY 2000 of \$1.0 billion. The Bureau also has proposed sales of \$100 million of Build Illinois Bonds for projects in FY 2001, the same amount as the previous fiscal year.

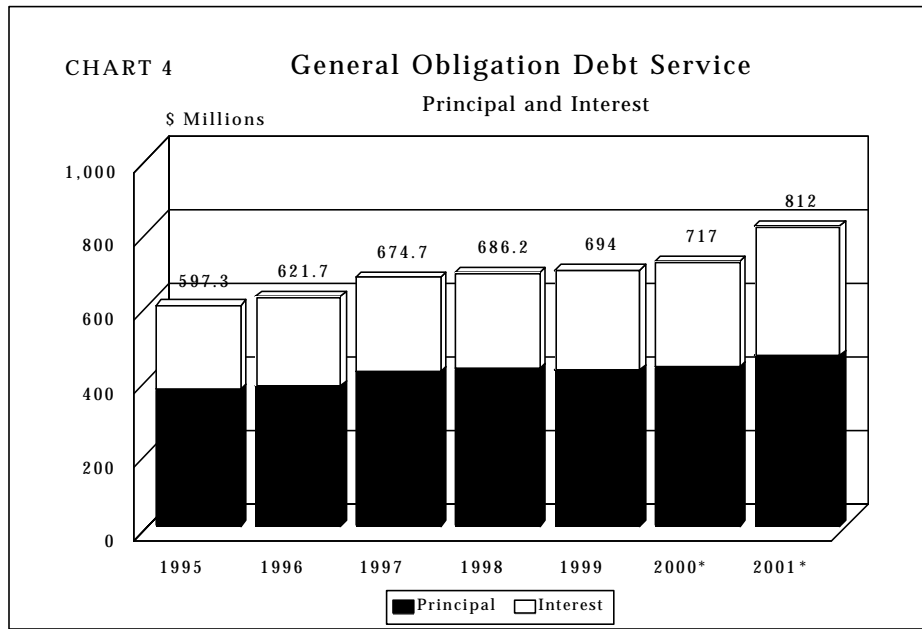
Bond Rating

A state's bond rating has an important impact on its ability to issue debt. A higher bond rating, reflecting a lower risk to investors, can allow a state to issue bonds at a lower interest rate, therefore, at a lower long-term cost to the state. Conversely, a lower bond rating, reflecting a higher risk to investors, will force a state to issue bonds at a higher interest rate, therefore, at a higher long-term cost to the state.

The State's general obligation bonds currently carry an Aa2 rating from Moody's Investor Service, and an AA rating from Standard & Poor's. In June of 1998, Illinois' general obligation bonds were upgraded by Moody's Investor Service, from Aa3 to Aa2. Moody's cited the State's aggressive efforts to pay a backlog of unpaid bills, its recent spending restraint and steady revenue growth, and tight fiscal management. Moody's also upgraded the State's Build Illinois bonds from Aa3 to Aa2. In July of 1997, the State's bond rating was upgraded by Standard & Poor's, from AA- to AA, also recognizing the State's improved finances. Fitch Investors Service has maintained an AA rating on the State's general obligation bonds for the last several years.

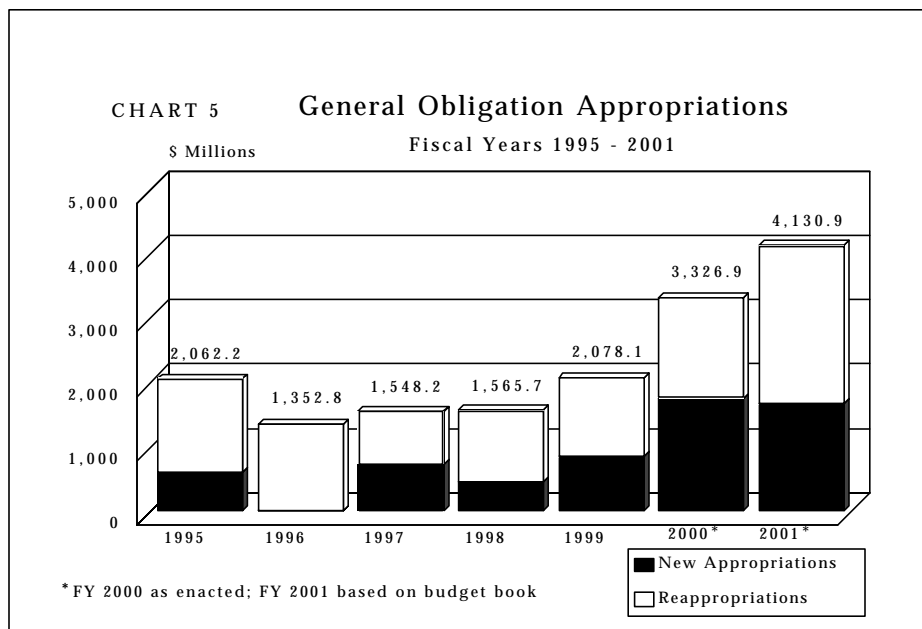
Debt Service

Based on expected general obligation bond sales, debt service for the capital program is expected to increase from \$717.0 million in FY 2000 to \$812.0 million in FY 2001. The estimated \$95.0 million increase would represent an increase of 13.2% in debt service payments. As shown in Chart 4, the estimated \$812.0 million would be comprised of an estimated \$461.4 million in payments on principal and \$350.6 million in payments on interest. In FY 1999, the estimated \$717.0 million in debt service includes \$430.5 million in principal payments and \$286.5 million in interest payments.



Appropriations

The FY 2001 budget book contains requests for capital appropriations from general obligation bond funds totaling \$4.131 billion. The total includes \$1.669 billion in new general obligation appropriations and \$2.462 billion in re-appropriations, which represent a \$94.0 million decrease in new appropriations and a \$898.0 million increase in re-appropriations from the FY 2000 levels. The total appropriations requested from general obligation bond funds for FY 2001 represent an increase of \$804.0 million over FY 2000. The annual appropriations from FY 1995 to the recommended FY 2000 and FY 2001 amounts are illustrated in Chart 5.



The State began FY 2000 with a general obligation bond authorization level of \$16.179 billion. A total of \$6.826 billion in bond authorization, excluding refunding authorization, remains unissued. The Governor is requesting \$625.8 million in additional general obligation bond authorization, which would bring the total G.O. bond authorization to \$16.804 billion, a 3.9% increase over the current authorization level.

Charts 6 and 7 provide additional information on the requested general obligation appropriations for FY 2001 broken down by bond fund. Chart 6 shows the approximate percentages each bond fund represents of the total appropriation request (includes both new and re-appropriations). As shown in this chart, the \$2,025.6 million for Capital Development comprises 49.0% of the total. School Construction funds would become the second largest segment of general obligation appropriations, funded at \$883.8 million, or 21.4% of the total. The \$513.4 million for Transportation B funds would account for 12.4% of the total annual appropriations. Transportation A funds account for \$571.5 million, or 13.8% of the total. Anti-pollution and Coal Development appropriations would represent \$90.4 million (2.2%) and \$46.2 million (1.1%), respectively.

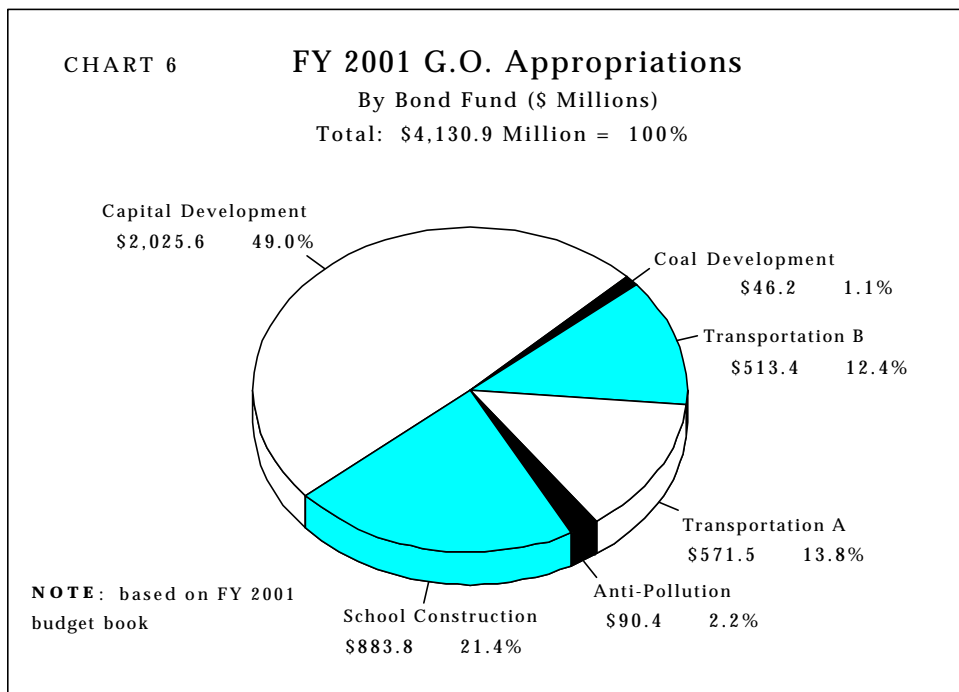
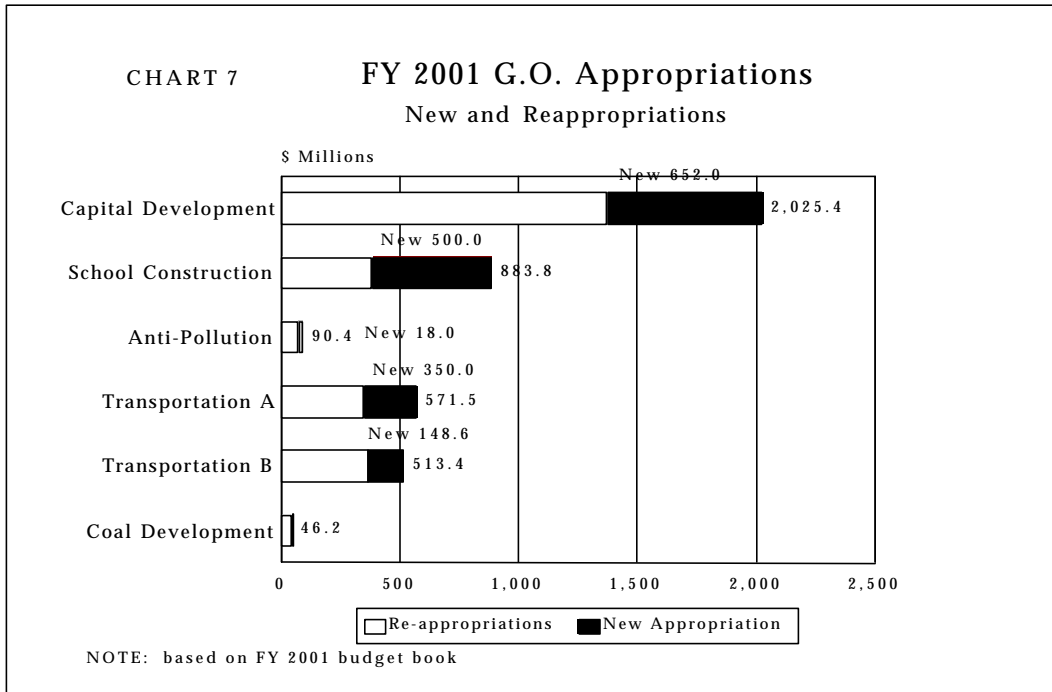


Chart 7, on the following page, shows the requested appropriations broken down by categories into new and reappropriations. The Governor's FY 2001 budget requests new bond fund appropriations totaling \$1.669 billion for several general purpose categories. New appropriations would be highest for Capital Development (\$652.05 million) and School Construction (\$500.0 million). Transportation "A" and Transportation "B" categories would receive new appropriations of \$350.0 and \$148.6

million, respectively. The Anti-Pollution category also would receive additional new appropriation authority under the Governor's plan (\$18.0 million).



The Governor's proposed budget includes an appropriation to the Bureau of the Budget in the amount of \$600,000 for costs of issuance associated with the general obligation bond program (to be paid from the Capital Development Bond Fund). The Bureau of the Budget would also receive an appropriation totaling \$350,000 from the Build Illinois Bond Fund for costs of issuance relating to Build Illinois. FY 2001 appropriations for the costs associated with bond issuance are the same as those appropriated for FY 1999 and FY 2000.

This section of the report has focused on what is contained in the Governor's proposed budget relating to debt and aggregate levels of spending. The next section looks at projects the Governor has recommended funding in FY 2001, based on the five-year capital expenditure plan included in the published budget.

FY 2001 RECOMMENDED CAPITAL PROJECTS

This section of the report is based on the Bureau's five-year expenditure plan. The projects in this section are only those for which a new appropriation is being sought (i.e. re-appropriations are not discussed).

Some of the appropriation requests for these projects represent the entire cost of the project; for others, however, only a portion of the total amount recommended is expected to be spent in FY 2001 (See Appendix A). The costs of recommended projects are listed below, in \$1.0 million increments, as the required appropriations in FY 2001 and the total required appropriations through FY 2005.

Most of the projects contained in this report are paid from the Capital Development Bond Fund. A small amount of General Revenue Fund is also recommended for emergency repairs, which do not qualify for bond funds. In addition, other bond funds are included within the general obligation bond program and federal funds comprise a share of the State's overall capital program. Listed below are selected new capital projects, by agency:

Agriculture

The Governor's capital budget request for the Department of Agriculture includes \$6.4 million in new appropriations for FY 2001 from the Capital Development Fund. The plan recommends \$17.0 million in long-term expenditures, including \$832,000 from the Build Illinois Fund. Of this amount, \$4.6 million is for the rehabilitation and renovation of various structures at the Illinois State Fairgrounds in Springfield. The three largest projects for the Department of Agriculture include:

<u>Programs (\$ millions)</u>	<u>FY 2001</u>	<u>Total</u>
• Conservation 2000 Program	\$2.8	\$2.8
• DuQuoin State Fairgrounds: construct multipurpose building	1.2	8.0
• Renovate Emerson Building and Annex at State Fairgrounds	0.5	2.1

Capital Development Board (CDB)

The Governor is requesting new appropriations of \$15.5 million for the Capital Development Board, including \$10.0 million in Capital Development Fund (CDF) appropriations, and \$5.5 million in General Revenue Funds for CDB. The general funds portion would be used for remodeling, rehabilitating, or demolishing structures, as well as conducting archaeological studies and asbestos abatement.

CDB oversees various statewide maintenance programs that affect more than one agency. In these cases, the entire appropriation is made to CDB. The Governor's

recommended FY 2001 budget includes the following statewide capital programs funded through CDF appropriations:

<u>Programs (\$ millions)</u>	<u>FY 2001</u>	<u>Total</u>
• Comply with Americans with Disabilities Act	\$0.0	\$4.0
• Retrofit/upgrade refrigeration equipment	0.0	4.0
• Abate hazardous materials	0.0	1.0
• Upgrade/remediate under/aboveground storage tanks	0.0	1.0

Central Management Services (CMS)

Of the Governor’s recommendation of \$11.1 million, most of the funds for CMS are earmarked for projects, which includes \$600,000 and \$740,00 from the Build Illinois Fund and the General Revenue Fund, respectively. Some projects for Central Management Services include:

<u>Programs (\$ millions)</u>	<u>FY 2001</u>	<u>Total</u>
• Upgrade the James Thompson center’s mechanical systems	\$.2	\$1.5
• Upgrade the IL Center for Rehabilitation and Education, Chicago	.3	1.3
• Expand Springfield surplus warehouse	.5	3.2
• DCFS district office: replace roof/upgrade mechanical systems	.1	1.3

Commerce and Community Affairs (DCCA)

The total FY 2001 capital budget request for DCCA is \$25.0 million from the Build Illinois Fund.

<u>Programs (\$ millions)</u>	<u>FY 2001</u>	<u>Total</u>
• Prime Sites Program	\$20.0	\$25.0

Corrections

Under the Governor’s plan, the Department would receive \$231.7 million in new appropriations, mostly from CDF. Of that total, \$129.0 million is to be spent on construction of a maximum security correctional center and, statewide, on various additions, rehabilitation and upgrades. The following projects are also to be funded:

<u>Programs (\$ millions)</u>	<u>FY 2001</u>	<u>Total</u>
• Construct maximum security correctional center	\$6.5	\$129.0
• Logan Correctional Center: construct medical/dietary buildings	1.1	11.0
• Stateville C.C.: update facility	1.0	5.3
• Rushville Youth Center: add 60-bed housing unit	0.7	14.0

Environmental Protection Agency (EPA)

The Environmental Protection Agency (EPA) would receive \$18.0 million from the Anti-Pollution Bond Fund and \$12.0 million from the Build Illinois Fund. The following EPA projects would be funded:

<u>Programs (\$ millions)</u>	<u>FY 2001</u>	<u>Total</u>
• Wastewater treatment program	3.0	11.0
• Drinking water program	2.0	7.0
• Brownfields Program	9.0	12.0

Board of Higher Education (BHE)

The FY 2001 budget submitted by the Governor recommends \$161.9 million in new CDF capital appropriations to BHE. The composition of BHE's capital budget is slightly different from that of the other State agencies. Portions of higher education's maintenance projects are funded through a Capital renewal program, which allocates amounts statewide to the various State universities and the Illinois Community College Board. For FY 2001, the Governor's budget includes \$20.0 million and \$10 million from the Capital Development Fund and the Build Illinois Fund, respectively, to BHE for capital renewal (repair and maintenance).

The remaining \$141.9 million of new appropriations requested are allocated for specific projects. The lengthy list of projects recommended for FY 2001 includes the following programs at Illinois Math and Science Academy (IMSA), Chicago State University (CSU), Eastern Illinois University (EIU), Governor's State University (GSU), Northern Illinois University (NIU), Southern Illinois University (SIU), the University of Illinois (U of I), and various community colleges (CC):

<u>Programs (\$ millions)</u>	<u>FY 2001</u>	<u>Total</u>
• Statewide: various digitalization projects	\$4.9	\$4.9
• CSU: remodel Building K	1.0	9.5
• EIU: renovate and expand Fine Arts Center	0.4	4.3
• GSU: construct teaching and learning complex, Phase II	2.2	22.0
• NIU: expand Founders Library basement	0.4	4.4
• SIU: combined laboratory for EPA/DPH/SIU	2.7	27.0
• U of I: computer science in Engineering facility	0.8	8.0
• Danville Area CC: renovate campus	1.0	9.6
• McHenry CC: construct classroom/student services building	0.9	8.5
• Kankakee CC: construct medical lab and classroom facility	0.7	7.0

Historic Preservation Agency (HPA)

The Governor is recommending a total of \$47.7 million in new appropriations for HPA in FY 2001, \$44.7 million from CDF, \$1.7 million from the Build Illinois Fund, and \$1.3 from general revenues. The three largest projects recommended for funding in FY 2001 are:

<u>Programs (\$ millions)</u>	<u>FY 2001</u>	<u>Total</u>
• Blackhawk Historical Area, Rock Island: rehabilitate lodge	\$0.2	\$1.2
• Jarrot Mansion, Cahokia: restore mansion	0.2	1.7
• Construct Abraham Lincoln Presidential Library	40.0	40.0

Human Services

The Governor is recommending \$28.5 million in new capital appropriations for the Department of Human Services from the Capital Development Fund (\$23.5 million), Build Illinois Fund (\$1.3 million) and General Revenue Fund (\$3.7 million). The majority of the funds will be used for maintenance and renovation projects at State Mental Health Centers (MHC) and Developmental Centers (DC), with the largest amounts going for the following:

<u>Programs (\$ millions)</u>	<u>FY 2001</u>	<u>Total</u>
• Howe DC, Tinley Park: upgrade tunnels/kitchen HVAC	\$0.5	\$3.1
• Repair and replace statewide	0.6	3.7
• Construction of sexually violent persons facility statewide	0.9	2.9
• Singer MHC: renovate patient units, Phase II	0.5	3.1
• Shapiro DC, Kankakee: replace steam and condensate lines	0.4	2.8
• Alton MHC: upgrade control access and duress system	0.2	1.5
• Tuckpoint exterior and repair masonry statewide	0.4	2.0

Judicial Branch

The FY 2001 Capital Program calls for \$1.6 million in spending for judicial branch needs, including \$1.0 million from CDF, \$235,000 Build Illinois Funds, and \$365,000 from general revenues. The major projects proposed include \$1.2 million for the replacement of the roof, and to renovate and complete HVAC systems at the Supreme Court building in Springfield, \$229,800 to be spent in FY 2001.

Medical District Commission

The Governor's FY 2001 budget recommends a total of \$9.8 million in appropriations for the Medical District Commission from the Capital Development Fund (\$8.5

million), Build Illinois Fund (\$375,000), and the General Revenue Fund (\$945,000). The funds will be used at the Medical Center District in Chicago, with the two largest amounts going for the following:

<u>Programs (\$ millions)</u>	<u>FY 2001</u>	<u>Total</u>
• Purchase of land and site improvements	\$3.0	\$5.0
• Construction of lab and research center facility	0.5	3.5

Military Affairs (DMA)

The Governor is requesting \$ 19.9 million for the Department of Military Affairs, including \$19.7 million in Capital Development Fund (CDF) appropriations, and \$150,000 million in Build Illinois Funds for rehabilitation and renovation of DMA facilities. The Governor's recommended FY 2001 budget includes the following programs:

<u>Programs (\$ millions)</u>	<u>FY 2001</u>	<u>Total</u>
• Rehabilitation of the General Jones Armory	\$0.6	\$4.0
• Joliet Armory : renovate the mechanical system	0.4	2.7
• Elgin Armory : rehabilitation of the heating/mechanical systems	0.4	2.7
• Pontiac Armory: upgrade mechanical systems and restrooms	0.2	1.4

Natural Resources

The Department of Natural Resources would receive \$113.9 million in new appropriations under the Governor's capital plan, including \$8.1 million from the Build Illinois Fund and \$5.3 million from GRF. The largest recommended appropriations include \$40.0 million for a statewide Open Land Trust Program; \$10.0 million for grants for a Museums Improvement Program; and \$5.3 million for the statewide Conservation 2000 Program.

<u>Programs (\$ millions)</u>	<u>FY 2001</u>	<u>Total</u>
• Statewide Open Land Trust Program	\$15.0	\$40.0
• Statewide Museums Improvement Program grants	5.0	10.0
• Statewide Conservation 2000 Program	5.3	5.3
• Lake Calumet: acquire land, and plan/construct visitors center	0.5	3.0
• Fort Massac State Park: reconstruct fort	0.6	4.3
• Statewide well capping program	1.0	2.0
• Lake Michigan shoreline protection	0.8	3.0
• Hickory/Spring Creek: flood control	0.6	3.0
• Prairie/Farmers Creek: flood control	0.2	1.2

Public Health

The Governor is requesting appropriations of \$215,000 from the Capital Development Fund for FY 2001, which would be used to upgrade the electrical and plumbing system at the Oakland Street Laboratory in Carbondale.

Department of Revenue

The Governor is requesting \$1.2 million in new capital appropriations for the Department of Revenue in FY 2001, including \$500,000 from the Capital Development Fund, \$620,000 from the Build Illinois Fund, and \$75,000 from the General Revenue Fund. The request includes \$500,000 in CDF moneys to waterproof and upgrade the entrance drive and parking at the Willard Ice Building in Springfield. The request also includes \$500,000 from the Build Illinois Fund to upgrade the security system at the Willard Ice Building.

Secretary of State

A total of \$9.1 million in new appropriations from the CDF and the Build Illinois Fund is recommended for the Secretary of State. The three projects recommended for funding in FY 2001 are:

<u>Programs (\$ millions)</u>	<u>FY 2001</u>	<u>Total</u>
• Stratton Building, Springfield: replace windows	\$0.9	\$5.9
• Renovate and upgrade various facilities statewide	0.8	2.3
• Capital Complex, Springfield: expand shipping and receiving dock	0.1	0.9

State Board of Education

The largest single program to receive new appropriations in FY 2001 is the \$575.0 million in statewide grants for facility improvements and construction funded from the School Construction Fund (\$500 million) and the School Infrastructure Fund (\$75 million). The two projects recommended for funding in FY 2001 are:

<u>Programs (\$ millions)</u>	<u>FY 2001</u>	<u>Total</u>
• Statewide grants for facility construction	\$125.0	\$500.0
• Statewide grants for facility improvements	37.5	75.0

State Police

The Governor is requesting \$9.6 million for the State Police, including \$147,000 from the Build Illinois Fund. The two largest projects recommended for FY 2001 are:

<u>Programs (\$ millions)</u>	<u>FY 2001</u>	<u>Total</u>
• Replace communication towers and tower buildings statewide	\$0.6	\$4.2
• District 13 Headquarters, DuQuoin: construct new buildings	0.8	5.0

Transportation (IDOT)

The Governor has approved \$350 million and \$149 million in new appropriations for IDOT from the Transportation Series “A” Bond Fund and the Transportation Series “B” Bond Fund, respectively. The largest recommended appropriations include \$350.0 million for highways; \$91.0 million for RTA grants for mass transit; and \$33.0 million for statewide aeronautics grants.

<u>Programs (\$ millions)</u>	<u>FY 2001</u>	<u>Total</u>
• Highways	\$55.0	\$350.0
• Mass transit grants to RTA	15.0	91.0
• Statewide grants for aeronautics	5.0	33.0
• Statewide grants for rails	3.0	20.0
• Downstate mass transit grants	2.0	5.0

Veterans' Affairs (VA)

The Governor's budget requests \$9.5 million in new capital appropriations for the Department of Veterans' Affairs from the Capital Development Fund (\$4.9 million), the Build Illinois Fund (\$440,000), and the General Revenue Fund (\$4.1 million). The four largest projects for Veteran Affairs include:

<u>Programs (\$ millions)</u>	<u>FY 2001</u>	<u>Total</u>
• Quincy VA facility: install rethermalization system	\$0.2	\$1.1
• Manteno VA facility: upgrade courtyard program spaces	0.6	3.8
• Manteno VA facility: demolish buildings	0.4	2.6
• Manteno VA facility: resurface roads and parking lots	0.2	1.2

APPENDIX A

GENERAL OBLIGATION BOND FUNDS						
<i>CAPITAL EXPENDITURE PLAN</i>						
FY 2001						
(\$ Millions)						
Fund	Approp. FY 2001	Spending from FY 2001 Appropriation				
		FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Total, All Funds	\$4,130.9	\$1,261.0	\$1,494.5	\$876.4	\$426.2	\$72.8
New Appropriations	1,668.6	348.0	618.0	474.0	210.6	18.0
Reappropriations	2,462.3	913.0	876.5	402.4	215.6	54.8
Capital Development	\$2,025.6	\$651.0	\$610.0	\$479.0	\$267.6	\$18.0
New Appropriations	652.0	138.0	185.0	179.0	132.0	18.0
Reappropriations	1,373.6	513.0	425.0	300.0	135.6	-
School Construction	\$883.8	\$325.0	\$433.8	\$125.0	0.0	0.0
New Appropriations	500.0	125.0	250.0	125.0	-	-
Reappropriations	383.8	200.0	183.8	-	-	-
Anti-Pollution	\$90.4	\$15.0	\$53.0	\$22.4	0.0	0.0
New Appropriations	18.0	5.0	13.0	-	-	-
Reappropriations	72.4	10.0	40.0	22.4	-	-
Transportation A Series	\$571.5	\$150.0	\$251.5	\$125.0	\$45.0	0.0
New Appropriations	350.0	55.0	125.0	125.0	45.0	-
Reappropriations	221.5	95.0	126.5	-	-	-
Transportation B Series	\$513.4	\$95.0	\$125.0	\$125.0	\$113.6	\$54.8
New Appropriations	148.6	25.0	45.0	45.0	33.6	-
Reappropriations	364.8	70.0	80.0	80.0	80.0	54.8
Coal Development	\$46.2	\$25.0	\$21.2	0.0	0.0	0.0
New Appropriations	-	-	-	-	-	-
Reappropriations	46.2	25.0	21.2	-	-	-

SOURCE: Bureau of the Budget's Five-Year Expenditure Plan for the FY 2001 Budget.

BACKGROUND

The Illinois Economic and Fiscal Commission, 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; and
- 5) 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.

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 two primary reports. The "Revenue Estimate and Economic Outlook" describes and projects economic conditions and their impact on State revenues. "The Illinois Bond Watcher" examines the State's debt position as well as other issues directly related to conditions in the financial markets. The Commission also periodically publishes special topic reports that have or could have an impact on the economic well being of Illinois.

These reports are available from:

Illinois Economic and Fiscal Commission
703 Stratton Office Building
Springfield, Illinois 62706
(217) 782-5320
(217) 782-3513 (FAX)

Reports can also be accessed from our WebPage:

http://www.legis.state.il.us/commission/ecfisc/ecfisc_home.html