Bond Case Briefs

Municipal Finance Law Since 1971

Illinois Misses School-Funding Payment as Leaders Remain Deadlocked.

Legislators plan votes to try to override governor's education veto

Illinois missed its Thursday deadline for the first round of state aid payments to K-12 schools with weeks to go before the start of classes as Republican Gov. Bruce Rauner and the Democratic legislature continue to haggle over a controversial education funding proposal.

School funding has become the most recent casualty of a clash between Mr. Rauner and the General Assembly that resulted in \$14.6 billion in unpaid bills and the longest state financial crisis since the Great Depression.

The payment of \$227 million was meant to be the first since the General Assembly passed a \$36 billion budget package in July over the veto of the governor. The measure included a funding increase of roughly \$350 million to K-12 schools, but the state must still establish a mechanism to distribute the new money.

The legislature approved a bill in May to enact a funding formula allocating state money to the neediest school districts first, but the governor used his veto power to rewrite the measure earlier in August, stripping hundreds of millions of dollars in state aid from the beleaguered Chicago Public Schools district.

The Senate is scheduled to convene Sunday to take up the governor's veto. Legislative rules demand a three-fifths supermajority vote of both chambers to either approve the governor's changes or override his veto. If lawmakers are unsuccessful in either of those efforts, the bill dies.

Democratic State Comptroller Susana Mendoza offered schools some relief Thursday in the form of \$429 million already owed to school districts following the historic, 736-day budget impasse. Those funds will help cover costs for bus transportation, special education and other services, according to a news release from the comptroller's office.

The Wall Street Journal

By Quint Forgey

Aug. 10, 2017 5:26 p.m. ET

Write to Quint Forgey at quint.forgey@wsj.com

Copyright © 2024 Bond Case Briefs | bondcasebriefs.com