

# Governor holds off on restoring budget cuts

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Gov. Rod Blagojevich won't restore state budget cuts until he's sure the spending plan can withstand an economic slide, an aide said Monday, adding that if the financial crisis worsens, the governor might have to cut more.

But a legislative budget-watcher says the state has the money and Blagojevich should use it.

The Democratic governor is sitting on legislation to spare closing two dozen state attractions, including Springfield's Dana-Thomas House, laying off 323 workers and cutting drug-abuse treatment by tens of millions of dollars.

But what if the administration restores the cuts only to suffer a revenue slowdown? Illinois is better off than states of similar size, but the governor remains concerned, spokesman Lucio Guerrero said.

"We are reviewing our revenue forecast to ensure that we will not have to make further cuts," Guerrero said. "It would be a shame to propose restorations and then have to rescind them if the economic climate worsens."

The reductions are part of \$1.4 billion Blagojevich sliced from an out-of-balance budget the General Assembly sent him in July.

The legislature responded in the face of pressure from human-services advocates and taxpayers outraged at the shuttering of 11 state parks and 13 historic sites on the eve of Abraham Lincoln's birthday bicentennial.

Lawmakers voted earlier this month to take \$221 million in "surplus" from accounts set aside for special activities.

That money, plus another \$10 million from general revenue, is enough to continue paying salaries and keep state parks and historic sites open, they said.

Blagojevich must take action on the bill by the first week of December. But layoffs are to begin Oct. 31, with the bulk of the cuts on Nov. 30.

Blagojevich also fears some of the money comes with strings. His office has said as much as \$50.7 million is off limits, including \$14.5 million it says is restricted by court action. Staff members continue to research the issue, Guerrero said.

The Commission on Government Forecasting and Accountability, a bipartisan budget arm of the General Assembly, called the revenue outlook in July "quite grim," but executive director Dan Long said Monday even with the Wall Street crisis, the state should still get \$200 million additional revenue this year.

"It's not going to be stellar growth, by any means," Long said, "but the projections we made in terms of what growth would be in personal income tax, corporate and sales taxes are holding."

Through the fiscal year's first quarter that ended Sept. 30, revenue from those sources was up \$139 million, or 3 percent, over the same period a year ago, according to commission numbers.

Blagojevich's approach is "prudent" because "things don't look bright," said Senate Democratic budget negotiator Donne Trotter of Chicago. But he said the legislature gave the governor specific money for specific purposes. Trotter added that the state could see another \$400 million or more if it sells a dormant 10th riverboat casino license this year.

Senate Republican budget negotiator Christine Radogno of Lemont said she's afraid Blagojevich will try to find a way to use the money for something else.

"The General Assembly was very clear what we wanted this money used for," said Radogno, who voted against the fund "sweeps" but for the restorations. "If there's another need down the line, then I think it would be appropriate for the governor to come back to the General Assembly."