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PRESS RELEASE

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Labor Meets with Governor on State Budget and Revenue; *Capital Bills to be signed Monday*

Today, at the request of Governor Quinn, more than 40 Labor leaders met in Springfield with the Governor to discuss the Capital Bill and the state's budget woes.

The Governor asked the heads of the state's Building and Construction Trades unions from around the state for their support to pass a proposed income tax increase to help balance the state's budget.

"The unions of the Illinois AFL-CIO are on record many times over in support of a fair and permanent tax increase to balance the state budget and provide essential, front-line services for the people of this state," said Michael T. Carrigan, president. "This is a core issue for Labor. We have educated our members on the critical need for increased state revenues. We have asked our state senators and representatives numerous times to back an income tax hike and we have testified before committees and at town forums all across the state. For years we have asked the state's leaders to pass a revenue bill that will sufficiently fund state government, not a series of band-aide bills that don't fully cover our needs. Our legislators have to act now. We will be knocking on their doors until they do."

The Illinois AFL-CIO will be lobbying state legislators for HB 174 which permanently increases personal income tax from 3 percent to 5 percent, increases corporate income tax from 4.8 percent to 5 percent, triples the Earned Income Tax Credit from 5 percent to 15 percent and implements sales tax on certain defined services.

Capital/Jobs Bill

Also during today's meeting, the Governor announced that on Monday, July 13, he will sign a series of Capital Bills titled 'Illinois Jobs Now!' that have been on his desk since June 30.

“We have been waiting for 10 years for a substantial Capital Bill that will put our members back to work,” said Carrigan. “The Governor has promised us he will sign those bills on Monday. We will all be there to witness the activation of this ‘jobs bill’. It will put hundreds of thousands of folks to work building and repairing our roads, bridges, schools, airfields and railways. Labor leaders and union members have worked tirelessly for a Capital Bill and we are proud that this day has finally come.”

The Capital Bills include:

HB 255 – Funding for Illinois Jobs Now!

Rep. Lang (D – Skokie)/President Cullerton (D – Chicago)

Raises \$1.120 billion in annual revenue by increasing vehicle registration fees by **\$20**, increasing drivers license fees by **\$20** and increasing the cost of registration and titles of motor vehicles by **\$30**; generates \$150 million annually by removing a sales tax loophole on candy, non-carbonated beverages and some health and beauty aids; increases the tax on wine, spirits and beer, and raises \$150 million from new (outside) management of the Illinois lottery and \$375 million through the regulation of video gaming.

6/29/09 – Passed the House 86-30-1. Passed both chambers. Sent to Governor (6/30/09)

HB 312 – Illinois Jobs Now! Capital Bill Projects (Non-legislative)

Rep. Lang (D – Skokie)/President Cullerton (D – Chicago)

Appropriates funding for Capital Projects in Transportation, School Construction and maintenance, higher education, environment, water, and the LUST Fund and Technology improvements.

6/29/09 – Passed House 117-0-0. Passed both chambers. Sent to Governor (6/30/09)

HB 2400 – Bonding for Capital Projects.

Rep. Lang (D – Skokie)/President Cullerton (D – Chicago)

Increases the bond authorization by \$2.8 billion for Illinois Jobs Now! Projects.

6/29/09 – Passed the House 117-0-0. Passed both chambers. Sent to Governor (6/30/09)

HB 2424 – Privatization of Lottery, Illinois Jobs Now! Implementation & Budget Implementation

Rep. Lang (D – Skokie)/Sen. Trotter (D – Chicago)

Requires apprenticeship programs for construction trades to do reporting to IDOL. Privatization of Illinois lottery, with AFSCME language. \$10 million for food deserts. Also contains a provision for 50% preference of Illinois citizen workers on road projects.

6/29/09 – Passed the House 116-0-0. Passed both chambers. Sent to Governor (6/30/09)

“Many thanks to Speaker Madigan, Senate President Cullerton and the members of the General Assembly who voted for these bills,” added Carrigan. “This is most certainly Illinois’ own economic stimulus package.”

The bill signing is tentatively scheduled for Monday, July 13, at 12 noon at John Marshall High School, 3250 West Adams, Chicago.

The Illinois AFL-CIO represents one million union members from over 1,500 affiliated unions across the state.