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BRADLEY STEPHENS
STATE REPRESENTATIVE • 20TH DISTRICT

May 20, 2020

Governor JB Pritzker
207 State House
Springfield, IL 62706

Dear Governor JB Pritzker:

In order for our municipalities to operate as effectively as possible during this crisis it is necessary to restore funding to the Local Government Distributive Fund (LGDF). Every county and municipality currently receives some LGDF funding, but their funding has been cut in recent years. These same cities are seeing revenues decline due to smaller sales tax and property revenues because of the COVID-19 pandemic and the ensuing stay at home orders.

From the onset of the state income tax until January 2011, 10% income tax collections were earmarked for municipalities and counties. However, the ratio of state income tax revenue was reduced from 10% to 6% following the enactment of the temporary income tax increase in 2011. The ratio was subsequently increased to 8% when the temporary higher income tax rates declined in January 2015. As it stands now the local government share is 5.757% of individual income tax collections and 6.50% of corporate income tax collections (a 42.2% and 35% cut).

Municipalities and counties are on the frontlines providing everyday core services for Illinoisans. They keep our streets safe, providing police, fire, and EMS services. They provide essential public works projects, road construction, and social support services. Funding local governments through LGDF distributions also plays a vital role in keeping local property tax burdens low. Without additional LGDF funding, many communities across Illinois will be forced to either drastically cut essential services or explore increasing fees or property tax hikes.

Illinois already has one of the highest property tax burdens in the nation, and property tax rates would undoubtedly be worsened if LGDF reductions continue or increase during this pandemic. If municipalities are forced to raise property taxes, the economic challenges for families across the state will become even more alarming.

Des Plaines, Franklin Park, Harwood Heights, Niles, Norridge, Park Ridge, Rosemont, Schiller Park in the Northwest corner of Chicago have historically managed LGDF revenue responsibly while providing a good return to the citizens they represent. LGDF funds are expended in a manner that can be seen and experienced by local taxpayers. It is a direct return of taxpayer dollars back to their communities for

services taxpayers expect and deserve. The pandemic has presented each community their own unique challenges, and it is important that each community has the resources available to overcome those challenges.

I am urging you to join me in supporting a budget that restores or partially restores LGDF funding.

Thank you,

A handwritten signature in black ink, appearing to read "Brad Stephens", written in a cursive style.

Brad Stephens
State Representative
20th District