Ramifications of State Budget Cuts to Human Services:

- Increases Job Loss
- Decreases Economic Activity
- Harms Vulnerable Populations

March 22, 2012

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Paper Information

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Suggested Citation: Kaslow, Yerik and Amy Terpstra. 2012. "Ramifications of state budget cuts to human services: Harms vulnerable populations, increases job loss, decreases economic activity." Center for Tax and Budget Accountability & Social IMPACT Research Center.

1. Introduction

Illinois will begin fiscal year 2013 with a General Fund budget deficit of $10.5 billion, which is 36 percent of total General Fund appropriations for fiscal year 2013.[1] That deficit is a real problem, given that over $9 out of every $10 spent through the General Fund goes to the four core services of education, healthcare, human services, and public safety.[2] Though a budget hole of such magnitude has been long in the making, its tremendous scale and associated consequences—increased borrowing to pay bills, a downgrade of the state's credit rating, and real, inflation-adjusted cuts to all major budget line items over the past ten years—have commanded more attention in recent years. Over time, the various responses to the state's fiscal woes that have been supported by Governors and the legislature, whether on the revenue or spending sides of the ledger, have been characterized by quick fix approaches and partial solutions. To date, none of these initiatives have actually solved the problem or even put Illinois on a path toward a permanent solution. Proposed fixes on the revenue side have been few and far between. The most serious was the temporary increase to the state's individual and corporate income tax rates that passed in January 2011. Obviously, a 'temporary' revenue increase cannot constitute part of a 'permanent' solution. Moreover, despite those temporary revenue increases, Illinois still began fiscal year 2012 with a $13.1 billion dollar deficit.[3] Rather than deal with revenue at all, decision makers frequently opt to reduce the deficit through spending cuts, whether outright or via flat-level funding from year to year—which amounts to a cut when inflation and population change are factored in as they should be.

Understanding Human Services in the State Budget

The State primarily administers human services through three agencies—the Department of Human Services (DHS), the Department of Children and Family Services (DCFS), and the Department on Aging (Aging). Hence, the programs delivered under those three agencies are combined and collectively referred to as "human services" in this analysis.

Each of those agencies receives most of its funding through the state's General Fund, the largest of the three funds which comprise the annual budget. Unlike other significant public services, such as education and healthcare, which each have a relatively narrow program focus, human services encompass a broad panoply of programs that cover everything from aiding adults with developmental disabilities, to homebound seniors, abused and neglected children, and individuals with substance abuse and mental health issues.

Because of this broad range of programs and multiple administering agencies, it is difficult to comprehensively analyze human services over time. This makes it challenging for decision makers and the public alike to understand precisely what human services are and what they do. Consequently, the overall category of human services does not have the political appeal and general public support enjoyed by the other three major budget categories. Put another way, at a time when Illinois is facing a budget deficit of over $10 billion dollars, this political reality makes human services an easy target for budget cuts. It is low hanging fruit on the budget tree, so to speak.

Where the budget axe falls when spending cuts are implemented in Illinois has been patterned and predictable: human services have regularly and disproportionately been cut over the last decade. Figures 1 and 2 illustrate how severely human services have been cut. After factoring in inflation and population change (that is, the increase in costs over time and the increase in the number of people who need services), overall funding for human services has been cut by $1.64 billion since 2002. When compared to the other three big budget categories—education, healthcare, and public safety—the cuts to the human services sector have second deepest in terms of overall percentage cut.

Figure 1
Illinois General Fund and Major Line Items Appropriation History, FY2002 – FY2013 [4]

Category	FY2002 Final	FY2002 Adjusted	FY2013 Rec	$ Change 02 - 13	% Change 02 - 13
General Fund	$23,409.3	$31,101.0	$24,328.0	$6,773.0	-21.8%
P-12 + Higher Education	$8,894.3	$11,816.7	$8,943.2	$2,873.5	-24.3%
Health Care	$5,397.6	$7,171.1	$6,893.5	$277.7	-3.9%
Human Services	**$4,971.2**	**$6,604.6**	**$4,967.4**	**$1,637.2**	**-24.8%**
Public Safety	$1,552.3	$2,062.3	$1,473.2	$589.1	-28.6%

*Data adjusted for inflation using ECI and population, all dollars in millions

*Data taken from CGFA (2002) and GOMB (2013)

Figure 2
Illinois General Fund Appropriations for Human Services, FY2002 – FY2013 [5]

Category	FY 2002 Final	FY 2002 Adjusted	FY 2013 Rec	% Change FY02 - FY13	$ Change FY02 - FY 13
Department of Aging	$243.2	$323.1	$814.8	152.2%	$491.7
Department of Child and Family Services	$925.5	$1,229.6	$767.7	-37.6%	-$461.9
Department of Human Services	$3,802.5	$5,051.9	$3,384.9	-33.0%	-$1,667.0
Total Across Agencies	**$4,971.2**	**$6,604.6**	**$4,967.4**	**-24.8%**	**-$1,637.2**

*Data adjusted using ECI and population, all data in millions

*Data taken from CGFA Budget Summary FY2002, GOMB FY2013

When state government cuts human services spending, two negative consequences inevitably follow. First, vulnerable populations lose access to services they need to live active, productive lives. Second, the state loses private-sector jobs. In fact, public spending on human services serves as a greater economic stimulus for jobs and private spending in the broader Illinois economy than what would be gained from tax cuts. Investments in human services also bear the longer-range benefits of avoiding future social problems and associated costs.

As Illinois struggles to recover from the worst recession in two generations, job growth and increased economic activity are of paramount concern to voters and lawmakers alike. The recent data make a clear and compelling case that cutting expenditures on human services in this environment would be counterproductive. It would be far better for state government to maintain human services spending and gain the positive effects on the Illinois economy.

2. Key Findings

- From FY2002 – FY2012, after adjusting for the impact of inflation and population change, appropriations for human services were cut by $1.64 billion, the largest cut of any major line item in the Illinois General Fund.
- Most human services—about 75 percent—are provided not by state workers, but by private businesses. Cutting state spending that pays these businesses will result in private-sector job loss across Illinois.
- Based on multipliers developed by Mark Zandi, chief economist at Moody's Economy.com, the $1.64 billion in cuts to human services from 2002 to 2013 likely caused Illinois to lose over 18,000 jobs and $2.14 billion in economic activity.
- The current backlog of bills the state owes private-sector human service providers is $459 million dollars, which amounts to a loss of over $600 million in economic activity in Illinois.
- The cuts targeted to human services for FY2013 in the Governor's Office of Management and Budget (GOMB) three year General Fund projections issued in January 2012, combined with the flat funding of human services during FY2014 and FY2015, will likely result in the loss of over 4,000 private-sector jobs and remove $450 million or more in activity from the Illinois economy.
- The economic impact to the overall Illinois economy of maintaining spending is both positive and exceeds that of tax cuts.

3. The Illinois Budgeting For Results Process

The State of Illinois implemented a spending reform act known as Budgeting For Results (BFR) in 2010.[6] BFR involves a results-based budgeting process for state-funded programs. It uses data-driven outcome measures to evaluate the effectiveness of programs. How programs fare under this evaluation will to a large extent determine whether they will continue to receive state funding. Seven priority areas have been established under BFR, which represent major functions and responsibilities of state government. These priority areas are:

1. *Education:* Quality education and opportunities for growth and learning for all Illinois students
2. *Economic development:* Enhanced economic well-being of residents
3. *Public safety:* Protection of citizens' lives and property
4. *Human services:* Protection of the most vulnerable of our residents
5. *Healthcare:* Improving access to and cost effectiveness of healthcare
6. *Quality of life:* Improved quality of life of residents
7. *Government services:* Improving the efficiency and fiscal stability of state government

It is not entirely clear which departments and programs fall into the BFR human services priority area. As noted previously, analyzing state funding for human service programs has always been challenging because it is difficult to ascertain the complete list of programs that collectively represent all human services covered in the state budget. The BFR process has made such an analysis even more difficult, because it does not delineate the specific programs being evaluated. Instead, BFR's seven priority areas lump together all spending related to a targeted area, but do not define the actual programs contained therein.

As part of the BFR process, the Governor's Office is required to release a three-year General Fund budget projection, listing expenditures by BFR priority area. Upon initial review, the three-year budget projection released by the Governor's Office of Management and Budget (GOMB) in January 2012 indicated that funding for programs in the human services priority area will be reduced from $6.87 billion in FY2012 to $6.52 billion in FY2013, a significant year-to-year cut of $350 million. GOMB's projections then show human services will be flat-funded for FY2014 and FY2015.[8] Because the cost of delivering care increases each year, this flat funding of human services actually amounts to a funding cut.

Figure 4
Potential Shortfall to Human Services Appropriations, FY2012 – FY 2013 [7]

Programs under Human Services Priority Area ($ millions)	
Aging	$814.8
Children and Family Services	$767.7
Juvenile Justice	$112.2
Employment Security	$24.0
Human Rights	$9.0
Human Services	$3,384.9
Public Health	$125.7
Veteran's Affairs	$69.0
Deaf/Hard of Hearing	$0.7
Children's Health Insurance Program	$27.5
Guardianship and Advocacy	$10.0
Human Rights Commission	$2.0
Healthcare and Family Services - Group Insurance	$1,500.0
Total GOMB Recommended Appropriations 2013	$6,847.5
Total BFR Priority Area Appropriation FY2013	$6,523.0
Difference – GOMB Rec vs BFR Priority, FY2013	**-$324.5**

The Center for Tax and Budget Accountability (CTBA) and the Social IMPACT Research Center (IMPACT) contacted GOMB and requested a list of programs that fall under the human services priority area. Figure 4 shows the program list GOMB provided and each program's FY2012 appropriations level. Because budget discussions are just beginning, GOMB indicated that some programs may be dropped or added, but this list contains most, if not all, of what will be contained within the human services priority area.

4. The Economic Impacts of Government Spending

During times of economic hardship when the challenge is to increase economic activity and grow Illinois's Gross State Product (state GDP or GSP) on the one hand, while reducing a multi-billion dollar budget deficit on the other, decision makers frequently choose to rein in spending. This is counterproductive, since state spending cuts are likely to make a slow economy even slower, potentially increasing job loss.

No one makes this point more clearly or articulately than Nobel Prize winning economist Joseph Stiglitz, currently an economics professor at Columbia University in New York. Stiglitz points out that, "In a recession, you want to raise (or not decrease) the level of total spending by households, businesses, and government in the economy. That keeps people employed and buying things."[9] Simply stated, budget cuts reduce spending in the local economy, while state and local government spending boosts it.

Although it may sound arcane at first, the reason maintaining spending works better than spending cuts is very straightforward once you consider the "Marginal Propensity to Consume," (MPC) of individuals or families. Marginal Propensity to Consume is simply the likelihood that a particular individual will, given his or her overall income level, choose to save or spend any income received. Low- and middle-income individuals have a high MPC, meaning that out of a given paycheck, they spend most of what they take home and save little.

In the context of MPC, state budget cuts to human services will have three primary impacts: First, cuts to the human services budget means cutting the wages paid to those individuals who work in human services, which of course means they'll be able to consume less in the Illinois economy. Second, most people who work for human service providers are low- and middle- income individuals,[10] meaning they rely heavily on their paychecks for income, as opposed to savings or investments. Third, over 75 percent of all human services in Illinois are delivered by third party providers working in the private sector.[11] Thus, cutting the human services budget results in a decrease in overall economic activity in Illinois.

This becomes especially important when you consider that consumer spending makes up 70 percent of all economic activity.[12] Most state spending on human services—80 to 90 percent—goes to the wages of the workers providing the services. Since over 75 percent of those workers are in the private sector, budget cuts to human services will have an immediate and direct impact on Illinois's overall economic activity.

So, how could Illinois benefit from taking the approach outlined by Stiglitz and maintaining spending on human services? Mark Zandi, chief economist at Moody's Economy.com and former economic adviser to Republican Senator John McCain during McCain's run for the presidency in 2008, has developed a metric for determining how certain public expenditures create an economic multiplier that actually generates *more* than a dollar-for-dollar benefit as those public expenditures move through a state's economy.

An economic multiplier, defined by economics textbooks such as Dornbusch and Fischer's *Macroeconomics*, is "the amount by which output changes when autonomous aggregate demand increases by one unit."[13] The definition may sound esoteric, but what happens is very straightforward. Say state government invests in a new road or in bridge construction. State government initially stimulates the economy by making a direct payment to contractors, construction workers, etc. for work and economic activity that otherwise would not take place. As these individuals then spend some of the money they earn from the state project on other purchases in the economy, such as food, clothing, or car repairs, a portion of the initial state investment made on construction becomes additional purchases for other individuals in other sectors. One person's spending becomes another individual's income, who in turn spends that income again on other purchases in the local economy, and so on. It is this ripple effect of spending that allows one dollar to have an actual effect that is greater than one dollar.

Mark Zandi modeled how this multiplier effect works for different types of public spending, as detailed in Figure 5. CTBA and IMPACT modeled the effects of cuts to human services using the Zandi multiplier of 1.31, which covers the impact of general spending on public services at the state level. Zandi's data are from September 2011, and have been used in testimony before the U.S. Congress by economists including Zandi himself, Stiglitz, Peter Orszag of the Brookings Institution, and Nicholas Johnson of the Center on Budget and Policy Priorities.[14, 15]

Figure 5
Zandi Economic Multipliers [16]

Government Action	Multiplier
Tax Cuts	
Non-refundable lump-sum tax rebate	1.22
Refundable lump-sum tax rebate	1.01
Temporary Tax Cuts	
Child Tax Credit, ARRA parameters	1.38
Payroll tax holiday for employees	1.25
Earned Income Tax Credit, ARRA parameters	1.23
Payroll tax holiday for employers	1.04
Across the board tax cut	0.98
Permanent Tax Cuts	
Make dividend and capital gains tax cuts permanent	0.39
Make Bush tax cuts permanent	0.35
Cut in corporate tax rate	0.32
Spending Increases	
Temporary increase in SNAP (Food Stamps)	1.70
Extending Unemployment Insurance benefits	1.52
Increased infrastructure spending	1.44
General aid to state governments	1.31

As Figure 5 clearly illustrates, the largest economic 'bang for the buck' comes from spending rather than cutting either taxes or spending. Moreover, it is quite clear that tax cuts, at any level, reduce the revenue coming into government. Zandi's model shows that every dollar spent on the Supplemental Nutrition Assistance Program (Food Stamps) stimulates $1.70 in total economic activity across the United States, while every dollar of permanent dividend and capital gains tax cuts stimulates only $0.39 of total economic activity. Spending stimulates the economy more than tax cuts because low-income individuals, who typically benefit financially from government spending, have a very high marginal propensity to consume. This means they are going to spend nearly all of the benefit they receive. On the other hand, wealthy individuals, who typically benefit financially from tax cuts, have a lower marginal propensity to consume. This means they'll spend less of the benefit they receive.

Given the size of the deficit Illinois already faces, this is hardly a point in time when Illinois can afford to realize further revenue loss or take actions that would slow the state's recovery from the Great Recession. If it is a goal of state lawmakers to use fiscal policy to increase overall economic activity in Illinois, then the greatest gains will come from spending that benefits low- and middle-income individuals, as opposed to tax cuts for high-income individuals.

5. Near-Term Impact of Cuts to Human Services

There are two sides to every coin. In this case, the flip side of Zandi's multipliers are the potential negative impacts of cutting spending. As discussed earlier, human services funding has repeatedly and disproportionately been cut, so let's consider what impact cuts to human services have on the Illinois economy. If spending on human services generates $1.31 of economic activity in Illinois for every $1 spent, it follows that every $1 cut will remove $1.31 from the Illinois economy. This conclusion naturally follows from two key points identified previously in this paper: First, the majority of the individuals whose income would decline as a result of human service spending cuts are low to middle income, have a high MPC, and therefore spend most of what they earn. Second, consumer spending is over 70 percent of all economic activity.

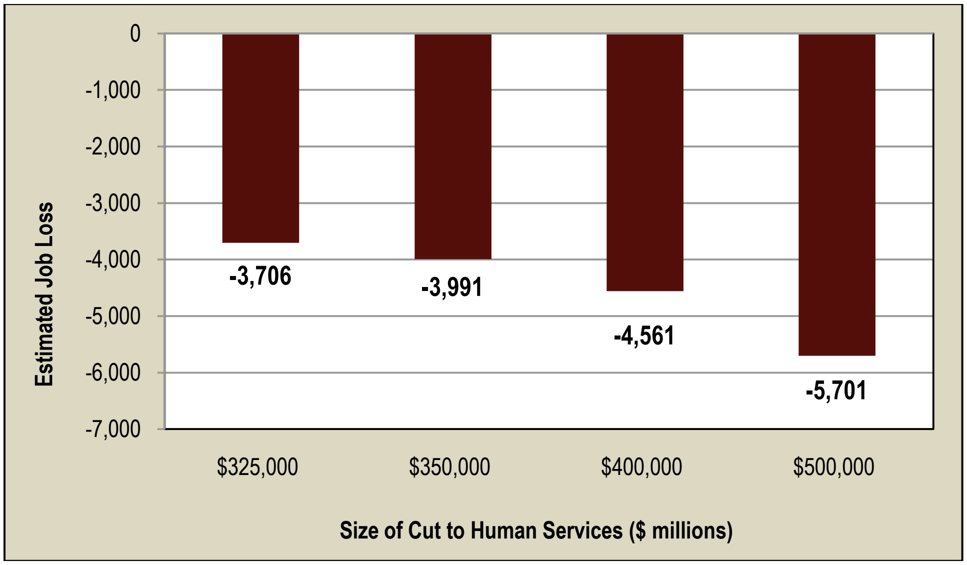
The Center for Budget and Policy Priorities, a national think tank, looked at the relationship between a state's economic output and its labor market, and developed a method to apply Zandi's multipliers to state economies to determine the potential impact of state spending on economic activity and gross state product.[17] Using this methodology, the cumulative cut of $1.64 billion from FY2002 – FY2013 likely caused Illinois to lose over 18,000 private-sector jobs, removing $2.1 billion in economic activity from the state's economy over that same period. In the context of the present, Figures 6 and 7 illustrate the potential near-term impact of human services spending cuts on labor market and economic activity in Illinois. CTBA and IMPACT modeled four spending cut amounts, illustrating the impact of balancing more of Illinois's budget shortfall on human services. As the following two sections illustrate, reducing funding for and scaling back or eliminating human services programs will have a negative impact on both the Illinois economy and labor market at a point when Illinois is trying to climb out of the worst recession in two generations.

Job Loss

Most people believe that public services are provided by public sector workers, which is certainly logical, but in the case of human services, wrong. Indeed, in Illinois, over 75 percent of people who work in human services work in private agencies that have contracts with the state to perform work.[18] Human services organizations employ individuals from a wide range of occupations, including the traditionally-thought of social workers, day care workers, teachers, and therapists, to IT professionals, accountants, and a host of others. Moreover, many businesses interact indirectly with human service organizations, by either doing business with them and/or having their workers as customers. These private businesses would be impacted by the negative multiplier effect associated with cuts to the human services budget, meaning job loss would extend outside of just human services workers. As shown in Figure 6, if the state were to cut human services spending in FY2013 by $350 million from FY2012 levels, as projected by GOMB, then flat fund human services in FY2014 and FY2015, the state would lose up to 3,991 jobs, most of which would be private-sector jobs. Figure 6 also shows the effect of up to $500 million in human services spending cuts, which could lead to job loss as high as 5,701.

Conversely, maintaining spending would result in keeping those workers employed in industries throughout the state, and thereby add to the state's economic activity at a time when Illinois desperately needs to grow its GSP.

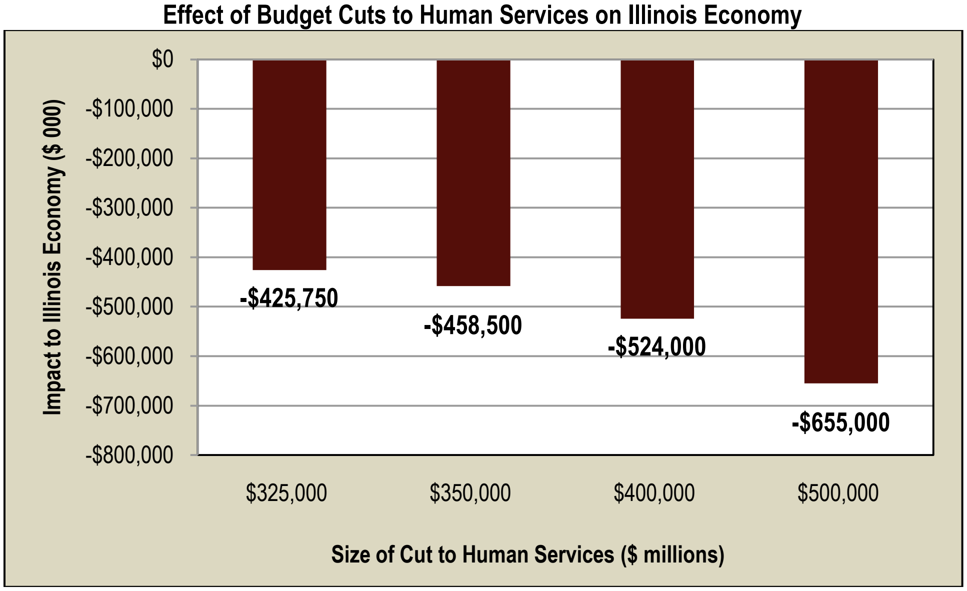
Figure 6
Estimated Illinois Job Loss Due to Human Services Budget Cuts



Economic Activity

State funding of human services functions as an economic engine. Removing it from the economic chain, on the other hand, diminishes the economy. The negative effects of cutting spending on human services do not stop at the Illinois labor market. The jobs that will be lost as a result of budget cuts will translate directly into decreased economic activity statewide. As of October 2011, the state had a backlog of $459 million it owed to human service providers, effectively removing $601 million in activity from the Illinois economy.[19] Figure 7 shows the actual negative economic impact of the proposed FY2013 cuts to the human services budget exceeds the stated dollar amount of the cut, due to the multiplier effect. A $350 million cut pulls $458.5 million out of the Illinois economy. If the cuts were to reach $500 million, Illinois's economy would suffer a loss of over $655 million.

Figure 7
Effect of Budget Cuts to Human Services on Illinois Economy



Faced with cuts of this magnitude, the community providers of human services programs will be forced to reduce hours, lay off staff, close facilities, increase the workloads of case managers beyond legal levels, or do all of these things. There is ample evidence that in fact providers are taking such steps. As recently as March 2012, an investigation by the *Chicago Tribune* found that DCFS is in violation of a 1991 federal decree which limits the number of new cases a caseworker can take on in a month.[20] Additionally, a 2011 survey of human service providers conducted by IMPACT and Illinois Partners for Human Services found that the consequences of human services budget cuts to providers are not hypothetical. In response to budget cuts and late state payments, 46 percent of providers surveyed had reduced hours of operation or levels of service, 46 percent had laid off staff, and 38 percent had closed programs completely.[21] These actions further ripple through the economy causing a number of additional consequences which contribute to the cumulative negative economic impact of human service spending cuts. For instance:

> The employees who lose their jobs will lose their income and thereby have less to spend, particularly in the consumer economy, which makes up over 70 percent of private spending.[22] Some of these people will need assistance in the form of Unemployment Insurance, SNAP (Food Stamps), and Medicaid. So not only does the State forfeit revenue in the form of foregone income and sales taxes, public spending increases when these individuals begin to require state assistance as a result of losing their jobs.

> Many people who relied on human service programs as supports will no longer have access to them. As a result, workers who rely on human services programs—like child care—will suffer. For example, studies have shown that businesses lose up to $300 billion per year nationally due to decreased worker productivity of parents concerned about after school care for children. In fact, a lack of after school programs results in parents missing an average of eight days of work per year.[23] This loss of productivity is felt across the Illinois economy.

> Illinois businesses in other industries (restaurants, office supply companies, car repair shops, and so on) that do business with human service organizations or have as customers people who work in or are served by human service programs will be impacted as those organizations and people spend less money. The businesses in turn must implement cutbacks on their own spending.

6. Longer-Term Impact of Cuts to Human Services

The near-term effects of cuts to human services on the state's labor market and broader economy are only part of the picture. Human services provide assistance to the most vulnerable people in our state, helping them meet basic needs and achieve stability and security. Massive cuts to human services will literally leave some people out in the cold and others unable to go to work or school since the supports that allowed them to do so have shrunk or disappeared.

Human services are often the most cost-effective approaches to treating and solving social problems. The list below illustrates some (not all) of the programs that fall under the umbrella of human services, which all generate long term taxpayer savings that exceed the money spent on service delivery. Consider the following examples of the return that investments in human services produce:

- The return on investment for homeless prevention is as high as a $4 return on every $1 of public investment.[24]
- Evidence-based substance abuse and mental health treatment can generate an estimated cost savings of $3.77 for every $1 invested.[25]
- After school programs have been shown to have a societal benefit as high as $8.92 for every $1 invested.[26]
- Estimates of returns from early childhood programs range from $8 to $14 for every $1 spent.[27]
- The costs of delivering services to disabled adults via the Home Services Program are 57 percent less than the average monthly cost of a nursing home, a savings to Illinois taxpayers of over $1,900 per person enrolled in the program.[28]

Figure 8 isolates the cuts to several key human services program areas from FY2010 to FY2013. Since GOMB's overall budget projection for human services in FY2013 is $350 million less than FY2012, and the flat funding of human services projected for fiscal years 2014 and 2015 actually amounts to a funding cut due to inflation and population change, the reduced FY2013 appropriations to these specific program areas are cuts that will not only persist, but will most likely get worse in fiscal years 2014 and 2015.

Figure 8
Cuts to Specific Human Services Program Areas, FY2010 – FY2013 [29]

Program	FY2010 Adjusted	FY2013 Rec	% Diff FY10-FY13	$ Diff FY10 - FY13
Addiction Treatment and Prevention	$154.4	$124.3	-19.5%	-$30.1
Mental Health	$286.5	$196.6	-31.4%	-$89.9
Domestic Violence	$20.4	$16.5	-19.2%	-$3.9
Developmental Disabilities	$1,064.5	$1,004.3	-5.7%	-$60.2
Child Care Services	$637.6	$265.6	-58.3%	-$372.0
Homelessness Prevention	$6.3	$4.7	-25.0%	-$1.6
Home Services	$577.1	$329.3	-42.9%	-$247.8
Total Across Programs	**$2,746.7**	**$1,941.3**	-29.3%	-$805.4

So, if the state continues to cut human services funding for programs that simultaneously help vulnerable populations while saving taxpayers money in the long run, the problems those services address will not only not go away, but will become worse and will ultimately cost Illinois taxpayers much more over time. If Illinois wants to make the most of its budget dollars, both now and in the future, cutting human services is not the way to go.

7. Conclusion

Illinois is in the midst of recovering from the worst recession in two generations. At a time when the economy is at less than full strength, the proposed cuts to human services in the FY2013 General Fund budget will achieve short-term savings at the cost of increased job loss and decreased economic activity throughout the state. In addition, as a result of not addressing the needs of vulnerable populations, these short-term cuts will lead to much higher costs down the road for all Illinois taxpayers. Since most human services are delivered by private, nonprofit businesses,[30] the majority of the economic effects will directly hit the private sector.

This in turn has a negative multiplier effect that ripples into other industries. When the state cuts $1 from the human services budget, it causes the loss of $1.31 of economic activity in the state's private sector. This negative multiplier appears for a simple, straightforward reason: when private-sector businesses lose funding, they have to layoff staff, freeze or cut wages, or reduce the number of people they serve. This reduces the purchasing power of their former workers who have been laid-off and current workers who've seen their wages frozen or reduced. Since over 70 percent of the economy is driven by consumer spending, this reduced purchasing power of former and current human services workers means less economic activity in local stores, repair shops, etc. across the state.[31]

This is not simply a point-in-time issue—cuts to human services accumulate: the $1.64 billion dollar cumulative underfunding of human services since 2002 likely led to the loss of over 18,000 private-sector jobs in Illinois over that same period.[32] As of October 2011, the state had a backlog of unpaid bills owed to human service providers totaling nearly $459 million dollars, which has effectively removed over $600 million from the Illinois economy.[33]

Economists warned congressional leaders that if states cut spending in FY2011, it would create "a serious drag on the economy at just the wrong time."[34] By cutting human services funding further in FY2013, and then flat funding it at this reduced level in FY2014 and FY2015, Illinois is lengthening the time it will take to recover from the Great Recession and is setting the stage for more costs to all Illinois taxpayers. In summary, cutting funding for human services to save money now is bad public policy and will have negative effects that will manifest in the short term and continue through the long term.

Endnotes

[1] CTBA analysis of FY2012 budget deficit and GOMB FY2013 budget projections. GRF total includes pension payments.
[2] CTBA and IMPACT excluded pension payments when calculating the overall percentage of the General Fund spent on the four core public services.
[3] CTBA analysis of FY2012 budget deficit and GOMB FY2013 budget projections. GRF total includes pension payments.
[4] Data are adjusted for inflation using Employment Cost Index and population, all dollars are in millions. Data are taken from the Commission on Government Forecasting and Accountability (CGFA) (2002) and Governor's Office of Management and Budget (GOMB) (2013). Inflation data are taken from Bureau of Labor Statistics (ECI) and DCEO (population).
[5] Data are adjusted for inflation using Employment Cost Index and population, all dollars are in millions. Data are taken from the Commission on Government Forecasting and Accountability (CGFA) (2002) and Governor's Office of Management and Budget (GOMB) (2013). Inflation data are taken from Bureau of Labor Statistics (ECI) and DCEO (population).
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