RESOLUTION REQUESTING THE COMPLETE RESTORATION OF LOCAL GOVERNMENT DISTRIBUTIVE FUND (LGDF) REVENUE TO LOCAL GOVERNMENTS AND OPPOSING ANY FURTHER REDUCTION TO LGDF REVENUE

WHEREAS, local governments provide fundamental and important services to their residents including, but not limited to, justice and public safety services, transportation infrastructure, human services, and parks and recreation opportunities; and

WHEREAS, the State of Illinois has a long-standing tradition of helping to support these local services through the collection and distribution of tax revenues on behalf of local governments; and

WHEREAS, local governments rely on these shared revenues in order to invest in services that residents cannot, nor should not, do without; and

WHEREAS, these shared revenues are the result of a good faith historical partnership between the state and local governments in Illinois; and

WHEREAS, when the State Income Tax was adopted in 1969, the state agreed to share 10 percent total income tax collections through the Local Government Distributive Fund (LGDF) with local governments recognizing that local governments are essential service providers for Illinois residents; and

WHEREAS, until January 2011, 10% of total income tax collections was dedicated to LGDF for distribution to local municipalities and counties; and

WHEREAS, local government share of the LGDF has already been reduced over time to 6.06% of individual income tax collections and 6.845% of corporate income tax collections; and

WHEREAS, Governor JB Pritzker has proposed that the State Fiscal Year (SFY) 2022 State Budget include an additional 10% reduction in the amount of LGDF revenue distributed to local governments; and

WHEREAS, this revenue reduction is being proposed at a time when local governments are already expending additional funds on the COVID-19 emergency response; and

WHEREAS, distributions from the LGDF play a part in maintaining a low local tax burden; and

WHEREAS, another decrease in LGDF revenue will have an adverse effect on Village residents and other residents throughout the State of Illinois; and

WHEREAS, the Village of Orland Park has managed LGDF revenue responsibly and used revenue for the benefit of its residents.

NOW, THEREFORE BE IT RESOLVED, by the Village President and Board of Trustees of the Village of Orland Park, Cook and Will Counties, Illinois, as follows:

SECTION 1:

The above recitals are incorporated by reference into this Section 1 and made a part hereof as though fully set forth herein.

SECTION 2:

The Village President and the Board of Trustees of the Village of Orland Park resolve to encourage the General Assembly and Governor J.B. Pritzker to protect and preserve existing levels of LGDF revenue and any other state-collected local government revenues that are shared with local municipalities to provide appropriate levels of service to their residents.

SECTION 3:

The Village President and the Board of Trustees of the Village of Orland Park further resolve to encourage the General Assembly and Governor J.B. Pritzker to completely restore the distribution of LGDF revenue to local governments to the original percentage share of 10% that was agreed to over 50 years ago.

SECTION 4:

This Resolution shall be effective immediately upon its adoption as provided by law.